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ABSTRACT

This preliminary document provides a reference for California educators concerned with the generation of funds for special education programs and is intended to supplement J-50 forms and instructions. The J-50 forms are a series of instructions, worksheets, and data collection forms used by local California educational agencies in the calculation of their special education entitlement. This document is designed in a question and answer format and is divided into sections by type of J-50 form. The 132 questions cover such general topics as due dates, penalties for filing late, availability of software to help in form completion, and computation of monthly payments for J-50 special education funding. Questions also cover very specific aspects of each of the 12 forms. An appendix provides copies of official memos concerning these forms and several sample worksheets. The J-50 forms themselves are not included in this publication. An index to the questions is also provided. (DB)

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PRELIMINARY EDITION

SPECIAL EDUCATION J-50 FUNDING

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PRELIMINARY EDITION

SPECIAL EDUCATION J-50 FUNDING

QUESTIONS AND ANSWERS

Prepared by

SPECIAL EDUCATION FISCAL SERVICES
LOCAL ASSISTANCE BUREAU

This document, which was prepared by the Special Education Fiscal Services Unit, Local Assistance Bureau, California State Department of Education, was published by the Department, 721 Capitol Mall, Sacramento, California (mailing address: P.O. Box 944272, Sacramento, CA 94244-2720). Any questions regarding this publication should be addressed to the Special Education Fiscal Services Unit; telephone (916) 325-4766. The document was distributed under the provisions of the Library Distribution Act and *Government Code* Section 11096.

1990

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Preface

The J-50 forms are a series of instructions, worksheets and data collection forms used by local educational agencies in the calculation of their special education entitlement. The calculations on these forms reflect the funding formula as prescribed by the Education Code for the special education program, while the instructions and footnotes to the forms explain the calculations and also delineate certain funding restrictions pertinent to the J-50 process.

The Special Education J-50 Funding Questions and Answers document is intended to serve as a reference for those individuals concerned with the generation of funds for special education programs. It should be viewed only as a supplement, however, and not as a replacement to the J-50 forms and instructions. Through its question and answer format, this document addresses many policy issues in addition to offering clarification of the more technical aspects of the J-50 funding process. Because the funding of this program was founded on the concept of base year costs dating back to fiscal year 1979/80, many of the questions and answers also explore the J-50 funding model from an historical perspective. This knowledge is essential for a complete, in-depth understanding of this complex funding process.

This document is designed in a question and answer format and divided into section by type of J-50 form. The progression of the sections parallels the progression of the forms in the J-50 forms package. Although the format individually addresses questions regarding the J-50s, it is important for the reader to place the information provided into the broader framework of the particular form to which each question relates. Information regarding the J-50s taken out of context could be misleading and possibly even counterproductive to an accurate and efficient completion of the J-50 forms. To avoid any misinterpretation of the information provided, we suggest that the reader view the specific J-50 form while reading the section which addresses that form. This will ensure that the information is interpreted within its proper context.

This document is the product of the collective efforts of many individuals. The first draft of the J-50 questions and answers was completed by Paul Goldfinger, Vice President of School Services of California, Inc., under contract to the State Department of Education. His expertise in the field of special education funding is well-recognized, and his contribution was central to the completion of this document. Mr. Goldfinger's draft was the subject of intensive internal and external review by program and fiscal staff within the department, as well as selected representatives of the field who graciously agreed to participate in the review.

Special thanks to Aleesa Kelley and Patricia Boncella, lead analysts in the Special Education Fiscal Services Unit, whose expertise and dedication have resulted in an informative and comprehensive document that will serve as a valuable resource for those involved with special education funding.

We anticipate the release of the document in its final form by September of 1990, and we expect that the questions and answers will be updated annually thereafter. We are very interested in the reaction from the field to the document and welcome any comments or input which you may have relative to its content.

EXCEPT WHERE STATUTES OR REGULATIONS ARE REFERRED TO OR FORM THE BASIS OF ANY STATEMENT, THIS INFORMATION IS MERELY EXEMPLARY AND COMPLIANCE IS NOT MANDATORY (EDUCATION CODE SECTION 3308.5).

Questions and Answers

General

The J-50 forms are a series of instructions, worksheets, and data collection forms which pertain to the calculation of J-50 state aid for special education. The forms consist of two parts:

1. SELPA-level forms which are completed only by the administrative unit (AU) of a SELPA. With the exception of one form, SELPA-level forms are used to report the allocation and/or transfer of units. The one exception is a form used to calculate entitlements unique to SELPA administrative units.

2. LEA-level forms which are completed by each district and county office of education who provide special education services. These forms are used to calculate entitlements for special education services and the J-50 state aid share of those entitlements.

Unless otherwise stated, the forms listed below are included in both the P-1 and P-2 J-50 forms packages.

The SELPA-level J-50 forms are:

1. FRZ (the "Freeze" form), which displays the maximum number of units in total and by each instructional setting--special day class (SDC), resource specialist program (RSP), and designated instruction and services (DIS)--that are available to the SELPA for distribution and funding in the current year. There are two FRZ forms--the regular FRZ for the ages 3-21 program and the Infant FRZ for the ages 0-2 program (if applicable).

2. LPA, Schedule B, for the ages 3-21 program (the 8 1/2 X 14 green forms) and Schedule B for the infant (ages 0-2) program (the 8 1/2 X 14 pink forms). On the Schedule B for each program, the SELPA records the distribution of its FRZ units to the operating entities within the SELPA and, if applicable, to other SELPAs which serve its pupils. The SELPA also records the receipt of transfer units from other SELPAs by LEAs within the SELPA.

3. Data Sheet III for the ages 3-21 program (the 8 1/2 X 11 green form) and Data Sheet III for the infant (ages 0-2) program (the 8 1/2 X 11 pink form). The Data Sheet III collects SELPA-level information separately for units transferred into and out of the SELPA.

4. NET/ENT (last page only). The administrative unit completes calculations and computes entitlements which apply only to AUs--adjustment of the SELPA's PL 94-142 grant for J-50 reporting purposes, calculation of entitlements for program specialist/regionalized services and low incidence and the designation of aggregation of J-50 entitlements to the SELPA AU.

The LEA-level J-50 forms are:

1. Data Sheet I, which is a printout of the values contained in specified data fields for the LEA. At P-1, the selected data fields display established values which may not be amended and which are needed to complete the P-1 J-50 forms. At P-2 and Annual, the Data Sheet I displays J-50 data which the LEA reported in the previous period and serves as a vehicle for making amendments.

2. Data Sheet II, which is the primary data collection form onto which specific worksheet data are transferred.

3. ALC, which collects the total number of units allocated from the Schedule B/s for each instructional unit/aide category.

4. SSR, which collects the historic support services ratios (P-1 only).

5. LGF, which calculates the current year local general fund contribution (P-1 only).

6. UR, which calculates the current year unit rates from those of the prior year (P-1 only).

7. IPS, which calculates the unit entitlement for funded units using data from the ALC and UR worksheets and also calculates an adjustment to entitlement for unused aides, if necessary.

8. EXT, which calculates the extended year instructional personnel service unit (IPSU) entitlement using data from the UR worksheet (P-1 only).

9. NPS, which calculates entitlements for placements in certified nonpublic schools and agencies.

10. DYR, which calculates the longer day/longer year incentives for county offices of education for special day class ADA.

11. ENT, which uses the entitlements calculated on the IPS and EXT worksheets to calculate the support services entitlement (using the SSR data) and also summarizes program entitlements including NPS.

12. NET/ENT, which calculates J-50 state aid using data from the ENT and LGF worksheets and other factors such as ADA reports, federal aid, and county taxes. Only administrative units of SELPAs and county offices complete the last page of the NET/ENT. This final page completes the calculation of the J-50 entitlement for SELPA AUs and county offices of education by adding entitlements specific to those entities.

Questions and Answers

1. *Q. What are the due dates for the J-50 forms?*

   A. Although due dates vary from year to year, the J-50 forms and J-50-FRZ forms are generally due during the first week of December for P-1 and during the third week in April for P-2. The FRZ forms are due with the P-1 and P-2 forms.

2. *Q. Is there a penalty for filing the J-50 forms late?*

   A. Yes, Education Code Section 42129 authorizes the Superintendent of Public Instruction to direct the county auditor to withhold the salary of a superintendent and/or board members of a school district or county office of education which is more than two weeks late in the submission of certain reports, including the J-50 forms. Since all J-50 forms must be reviewed by the county office prior to their submission to the state, it is critical for LEAs to communicate with their county office of education if they anticipate difficulty in meeting any of their timelines.

3. *Q. Is there software available to assist in completing the J-50?*

   A. Yes. Software is available from the Local Assistance Bureau. It requires the use of an IBM or compatible, two disk drives (one may be a hard drive), at least 384KB of RAM and DOS version 2.0 or greater. The cost to SELPAs for the software is $200 for first-time users, and $50 for renewals. A first-time individual district may purchase the software for $90 and renew for $50. This cost covers the J-50 software for P-1, P-2, and Annual. Please contact your assigned Local Assistance Bureau analyst for more information.

4. *Q. Will the software be maintained in future years?*

   A. The State Department of Education will make every effort to continue to maintain and provide the J-50 software.

5. *Q. What forms must I return to the State Department of Education at P-1 and P-2?*

   A. Following the instructions in the J-50 forms package is a checklist for the submission of J-50 forms. This checklist summarizes the information provided below in a convenient chart form.

   The SELPA administrative unit must submit:

   J-50-FRZ (Ages 3-21)
   J-50-FRZ (Ages 0-2), if the SELPA has a J-50 funded infant program

J-50-LPA Schedule B - Ages 3-21
J-50-LPA Schedule B - Ages 0-2, if the SELPA has a J-50 funded infant program
J-50-Data Sheet III - Ages 3-21, if units are transferred into or out of the SELPA
J-50-Data Sheet III - Ages 0-2, if infant units are transferred into or out of the SELPA
PL 94-142 Methodology. AUs of multi-agency SELPAs must submit a list which details the methodology used to determine the amount of each LEA's PL 94-142 grant subject to deduction on the J-50 NET/ENT (EDP 335).

The county office of education must submit:

J-50-DYR. The county office must sign and return this form, even if it is not participating in the incentive program.

Each educational agency operating special education programs must submit:

Data Sheet II, the primary data collection form for the special education apportionment. Heavy outlining on the J-50 forms highlight those data elements which need to be transferred to the data sheets. When completing the data sheets, be careful to correctly report the appropriate decimal values as required. If you do not have data to report in a particular data field, you should leave the field blank rather than reporting a zero. Not all of the data requested on the data sheets apply to each agency; some apply only to a SELPA's administrative unit, to a county office of education, or to agencies operating only certain types of units. It is therefore appropriate for some data fields to be left blank.
J-50-NPS, Parts I and II, if there are any placements in state-certified nonpublic schools or agencies.
J-50-CERT. Signed certification sheets must be submitted for the appropriate apportionment period--either P-1, P-2, or Annual--as well as for any prior year amendments. Before submitting J-50 forms to the state, districts must submit all J-50 forms to their county office for computation of state aid, review of J-50 worksheets and signing of certification sheets.

Please note: If your SELPA uses the J-50 software and provides the required data on a disk, printed copies of the required reports and signed certifications must also be submitted. (The J-50 software automatically prints all J-50 forms).

6. *Q. I understand why the Data Sheet II is used to report basic data, such as the number of units of each type which my agency operates. But why is it also used to report numbers which are calculated from the basic data? Does the state's computer do these calculations?*

A. Yes. The state's computer does calculate some of the numbers requested on the Data Sheet II. These numbers are requested to provide checkpoints, both of the accuracy of the state's computer program and the basic data reported by a district or county office. By investigating discrepancies of greater than 10% between the LEA's reported numbers and the state's computed numbers, the accuracy of the apportionment increases. The major checkpoints are at EDP numbers 560, 570, 065, 079, 085, 089, 321, and 340.

7. Q. ***May forms for prior years be amended?***

A. Prior to 1989/90, amendments could be made to J-50 apportionment data for the current year and three prior fiscal years. The passage of AB 198 (Chapter 83 of the Statutes of 1989), limits J-50 corrections to only the current year and one prior fiscal year. J-50 prior year corrections must be received by the Local Assistance Bureau no later than the close of business on June 30 of the following fiscal year to effect a change in your data. If you wish to submit amendments beyond the deadline as a matter of record, they will be placed in your file; however, be aware that they will not be processed and your data will remain unchanged.

8. Q. ***How should I report amendments?***

A. Until the first certification of Annual occurs for a given fiscal year, amendments to that fiscal year must be made using the Data Sheet I. Please be aware that the data you report at P-2 on your P-2 J-50 Data Sheet II, will not change or correct any of your P-1 data displayed on the Data Sheet I for the Second Principal Apportionment. Amendments to P-1 data must be made by correcting the data on Data Sheet I--simply cross out the old data element and write-in the revised value. When completing the annual J-50 report, both P-1 and P-2 data on the Data Sheet I may be amended in this manner.

After the Annual apportionment for a given year has been certified, amendments should be made directly on the LEA's copy of the state computer apportionment printouts (i.e., the exhibits). The state sends each LEA a full set of J-50 exhibits within six weeks following the first certification of Annual on February 20. To amend J-50 data on the exhibits, cross through the old data value and write-in the revised value.

If amendments change the distribution of units across instructional settings in a SELPA, it will be necessary for the AU to amend the affected P-1 or P-2 J-50-FRZ form. Any amendments to the FRZ form must be accompanied by written programmatic justification.

For nonpublic school data reported in the current year, the P-2 report supersedes the P-1 report, and the Annual report supersedes the P-2 report. Thus, the P-1 and P-2 NPS reports do not need to be amended. If NPS data for a prior year are revised, the entire annual form J-50 NPS, Parts I and II, need to be resubmitted.

Amendments involving the transfer of units between SELPAs require the submittal of revised Schedule Bs from both SELPAs, plus revised Data Sheet IIIs.

Revisions to data reported on forms other than the J-50 forms, for example, ADA reports and tax reports--can only be made by revising the original reporting forms. For example, ADA errors can only be corrected on the ADA reports.

In all cases, amended J-50 forms must be accompanied by newly signed certification pages for all affected educational agencies including, where necessary, the administrative unit. As with all other J-50 data, amended J-50 forms must be submitted to the county office for review and certification before they are submitted to the state.

9. Q. *If I amend a prior year "Exhibit" by revising the J-50-IPS form, must I also recompute the ENT and NET/ENT worksheets?*

   A. No. The revised forms submitted to the state need only show the changes to data entry elements and need not show subsequent calculations. However, it is recommended that the subsequent calculations be made for comparison with the recertified apportionment.

10. Q. *I recently received my P-2 apportionment printouts and there was a terrible error that reduced my state aid by $500,000. Can my apportionment be corrected before next February?*

    A. No. Apportionments are certified only in February (for the P-1 and Annual calculations) and June (for the P-2 calculation).

11. Q. *How is the amount of each district's special education advance apportionment computed?*

    A. Education Code Section 41330 instructs the Superintendent of Public Instruction to calculate the advance apportionment for the new fiscal year on the basis of P-2 for the preceding fiscal year. To allow for any increase or decrease provided in the budget for the new fiscal year, the percentage difference is determined between the statewide total P-2 J-50 state aid and the budget appropriation for J-50 state aid in the new fiscal year. This percentage increase or decrease is then applied to each LEA's P-2 J-50 state aid (EDP 367A) to establish the amount of special education advance for that LEA.

This factor is listed in the July cover letter which accompanies the advance apportionment document (Exhibit C) sent to county superintendents and county auditors. The amount of each LEA's advance apportionment for special education may also be found in this document, with the exception of LEAs belonging to SELPAs which aggregate.

When a SELPA has requested that the state aggregate its J-50 entitlements, the total apportionment for all entities in the SELPA is made directly to the administrative unit of the SELPA rather than to individual LEAs. Consequently, in these instances, the sum of the special education advance apportionment for all LEAs belonging to the SELPA is shown as one total for the SELPA AU in Exhibit C--there is no display of special education advance apportionment data for the individual LEAs in that SELPA.

12. Q. ***How are the monthly payments for J-50 special education funding computed and paid?***

A. Payments for J-50 special education state aid are not issued separately, but are included in monthly payments for the principal apportionment. Payments are made through the county treasurer who issues funds to each district or county office as appropriate. The State Controller pays the county treasurer of the county where the district is located unless a SELPA aggregates its funds. If a SELPA's payment is aggregated, payments are made to the county treasurer of the county where the SELPA administrative unit is located. The summary of each certified apportionment, commonly referred to as "Exhibit C", provides the detail of funding generated by each state school fund program within the principal apportionment for each local educational agency, with the exception of LEAs belonging to SELPAs that aggregate (see question #11 for an explanation of aggregation and its effect on the display of special education data in Exhibit C). A copy of Exhibit C is sent to all county superintendents of schools, county auditors, and county treasurers after the advance, first and second principal apportionments have been certified to the State Controller.

One of three schedules is used to compute each LEA's monthly state school fund payment amounts. The schedule used is dependent on the LEA's ADA for the fiscal year (FY) 1979/80 and the percentage of total revenue limit from local taxes in 1979. An LEA may easily determine which schedule was used to compute its monthly payment by referring to the last column in Exhibit C. If the LEA's payments were computed using the first schedule listed below, then only a dollar amount will be listed in Column 7. If the second schedule was used, the dollar amount listed in Column 7 will be followed by a single asterisk; and if the third schedule was used, two asterisks will follow the dollar amount in Column 7. The schedules and the circumstances which dictate the schedule utilized are as follows:

1. School districts (other than districts with less than 5,000 ADA in FY 1979/80 which received 39% or more of the total revenue limit from local taxes 1979) and classes maintained by county superintendents are paid according to the schedule below [Education Code Section 14041(a)(2)]. The majority of school districts fall into this category.

MONTH	AMOUNT OF MONTHLY PAYMENT
July	6% of the advance apportionment
August	12% of the advance apportionment
September through January	8% of the advance apportionment
February	1/3 of the difference between the P-1 certification and payments made through January
March through May	1/6 of the difference between the P-1 certification and payments made through January
June	the difference between the P-2 certification and payments made through May

2. School districts with less than 5,000 ADA in 1979/80 and 39% or more (but less than 75%) of the total revenue limit from local taxes in 1979 are paid according to the following schedule [Education Code Section 14041(a)(7)]:

MONTH	AMOUNT OF MONTHLY PAYMENT
July through October	15% of the advance apportionment
November and December	0% of the advance apportionment
January	6% of the advance apportionment
February	1/3 of the difference between the P-1 certification and payments made through January
March through May	1/6 of the difference between the P-1 certification and payments made through January

MONTH	AMOUNT OF MONTHLY PAYMENT
June	the difference between the P-2 certification and payments made through May

3. School districts with less than 5,000 ADA in FY 1979/80 and 75% or more of total revenue limit from local taxes in 1979 are paid according to the following schedule [Education Code Section 14041(a)(8)]:

MONTH	AMOUNT OF MONTHLY PAYMENT
July	15% of the advance apportionment
August and September	30% of the advance apportionment
October	15% of the advance apportionment
November and December	0% of the advance apportionment
January	6% of the advance apportionment
February through May	0% of the advance apportionment
June	the difference between the P-2 certification and payments made through May

ADA Calculations

13. Q. ***How should SDC and NPS ADA be calculated if a pupil's IEP specifies a number of minutes of instruction which is less than the minimum school day?***

A. According to Education Code Section 46307, if the pupil attends school for less than the minimum day, then the number of minutes of attendance specified in the IEP constitutes a full day of attendance.

14. Q. ***How should NPS ADA be calculated when the number of days taught in the NPS exceeds the number of days taught by the school district? Can some of these days count as extended year days and be included in the extended year ADA calculation? If so, how would extended year ADA be calculated?***

A. When the number of days taught in an NPS exceeds the days taught in the school district, the NPS ADA for a given period (P-1, P-2 or Annual) should be calculated by dividing the total days of apportionment attendance by the number of days taught by the contractor for that period. This method ensures that a pupil will not generate more than 1 ADA for the regular school year. For example, if the contractor's days taught for P-1 is 76 days and a pupil attends 71 of those days, the calculation of NPS ADA would appear as follows:

71 / 76 = .93

If, for your own internal purposes, you wish to convert the days of attendance in the NPS to an equivalent number of district days of attendance, multiply your NPS ADA by the number of the district's days of instruction for that period. Continuing the example from above, if a district's days of instruction for P-1 are 72, the conversion of NPS days of attendance to district days of attendance would be calculated as follows:

.93 X 72 = 67

Days of instruction beyond the contractor's regular school year may count towards extended year and be included in the extended year ADA calculation only if extended year services are specified in the pupil's IEP.

Within certain parameters, extended year NPS ADA is calculated by dividing the number of days of apportionment attendance in the extended year program by the divisor of 175. Title 5 of the California Administrative Code requires that an extended year program be provided for a minimum of 20 days, which may consist of 19 instructional days and one holiday. In addition, the number of days that may be counted towards apportionment attendance in the extended year NPS ADA calculation is limited

to 30 days for the nonsevere program and 55 days for the severe program.

Although maximums do exist for the number of days which may be included in the calculation of extended year NPS ADA, it is important to realize that you do receive reimbursement for the days of instruction offered by the NPS which are excluded from this computation. The cost of all instructional days is reflected in the contract between the NPS and the LEA. As with the reimbursement of all nonpublic school contracts, costs incurred over and above the revenue limit are reimbursed through the J-50-NPS in accordance with the provisions of law and reimbursement percentages applicable to the type of placement; the revenue limit generated by the NPS ADA serves only as an offset to the cost of the contract.

15. Q. ***May ADA be claimed for infant or preschool programs?***

A. ADA may not be claimed until a student reaches the legal age to enroll in kindergarten [Education Code 48000 and Education Code 46100 et seq.]. Thus, ADA may not be claimed for infants nor for pupils in a preschool program unless they are of legal age for enrollment in kindergarten.

If a pupil is of legal age for enrollment in kindergarten and is attending either a kindergarten or preschool program, then ADA must be claimed for that pupil. Thus, for a preschool pupil who has his or her fifth birthday on or before December 2, ADA must be claimed for the entire school year. For a preschool pupil who has his or her fifth birthday after December 2, ADA must be claimed beginning on the day that the child turns five years old (i.e., the day of the child's fifth birthday). The basic logic of the statutory funding system as a whole requires that when districts may claim ADA for a special education pupil, they must do so--before claiming any other sort of state aid.

16. Q. ***How is ADA reported for a student who is in a special day class for part of the day and mainstreamed in a regular classroom for part of the day? Should the ADA be prorated based upon the time in each program?***

A. No, the ADA should not be prorated. Since SDC pupils spend the majority of their school day in their special day class, the pupil's attendance must be reported as all SDC ADA. If a pupil is in the regular classroom for the majority of the school day and is receiving special education services, by definition he or she is not an SDC pupil (see Education Code Section 56364) and should therefore be claimed as regular ADA.

17. *Q. I report itinerant teachers serving low incidence pupils in regular classrooms as special day classes. Should I report the ADA of those pupils as regular ADA or as special day class ADA?*

A. Education Code Section 56364.1 allows pupils with low incidence disabilities to spend the majority of their school day in a regular classroom and also be enrolled in an SDC. In these instances, report the pupil's ADA as regular ADA.

FRZ Form

The FRZ (pronounced "Freeze") form displays a SELPA's total number of units by program setting. There is one FRZ form for the ages 3-21 program and another FRZ form for infant programs (ages 0-2, inclusive), if applicable.

18. *Q. Why are these forms called FRZ or "freeze" forms?*

A. The term originated in connection with the ages 3-21 program. In 1982, in response to the state's fiscal crisis, the state did not allow SELPAs to be funded for any growth in instructional units. The freeze on growth in instructional units continued for fiscal year 1983/84. When implementing this freeze in the number of instructional units, the State Department of Education (SDE) started using the FRZ or "Freeze" form to report the number of units available for allocation in the current fiscal year, which was simply equal to the number in the prior year. At that time, the phrase applied only to the ages 3-21 program since the infant program did not yet have a separate allocation of J-50 units.

Although SELPAs were allowed growth in FY 1984/85 and subsequent fiscal years, the term "FRZ" continued to be used to describe the form which informed a SELPA of its maximum units available for the fiscal year. When a separate program was established for infants in 1985 with units which were designated solely as infant units, the phrase "FRZ" was well-entrenched in the special education vernacular and was employed to describe a SELPA's available J-50 infant units. At present, the J-50-FRZ for the ages 3-21 program is equal to the number of J-50-FRZ units in the prior year, less any units recaptured, plus any units allocated from the available growth funding, including any LCI emergency impaction units converted into permanent J-50 units. For the infant program, the J-50-FRZ is equal to the number of J-50-FRZ infant units in the prior year, less any units recaptured, plus any units allocated from the available growth funding (the infant program did not receive a growth appropriation for FY 1988/89 or 1989/90). Thus, while there is no longer an absolute freeze on instructional units, the FRZ form is still used to report a SELPA's total number of available units.

19. *Q. What options does the SELPA have in completing the FRZ form?*

A. Column A of the FRZ form displays a computed number of units by program setting--Special Day Class (SDC), Resource Specialist Program (RSP), and Designated Instruction and Services (DIS)--and the sum of these units. This total establishes the maximum number of units available to the SELPA for distribution.

Although the SELPA is restricted in terms of the total number of units available, it is not restricted to the Column A alignment of units by program setting. To accommodate its programmatic needs, a SELPA may reallocate units from one setting

to another by reporting the desired number of units in each program setting in Column B. In realigning units, it is critical that the total number of units reported in Column B not exceed the total in Column A. Also, a SELPA must provide written programmatic justification for the shifts in units between settings. The alignment of units that the SELPA reports in Column B of the FRZ form must correspond to the allocation of its units on Schedule B.

20. Q. ***What type of justification should a SELPA provide for the reallocations of units on the FRZ form?***

A. Generally, a simple description of the SELPA's programmatic offering and an explanation of why the changes are necessary is usually all that is required. It would only be in the case where a large percentage of a SELPA's units were shifted from one setting to another--or where a SELPA significantly exceeded a program subcap--where a detailed explanation would be necessary.

21. Q. ***Once the FRZ form is submitted, may it be amended?***

A. Yes. A SELPA may amend the FRZ form within the one year statute of limitations. (The ability to amend apportionment documents within the statute of limitations was discussed earlier in the "General" section.) A SELPA may choose one allocation of the FRZ level of units for the P-1 report and a different allocation for the P-2 report.

22. Q. ***Do you have any tips to avoid problems when reallocating units within the FRZ?***

A. Yes. It is important to recognize that the different types of units carry with them different levels of aide entitlement. Each Special Day Class FRZ unit entitles a SELPA to 1.05 aides, each RSP FRZ unit may have 1.00 aide, and DIS units do not generate any aide entitlement. Thus, if the FRZ is changed to allocate fewer SDC and more RSP or DIS units, there will be an overall reduction in aide entitlement which must be taken into account in the allocation of SDC units among the three SDC aide categories on Schedule B.

23. *Q.* ***Aren't the J-50 forms backwards? That is, shouldn't the J-50 forms start with a number of units operated by each LEA and then aggregate those numbers to determine the SELPA-wide number of funded units by setting?***

A. Because the SELPA-wide cap on the number of units available for distribution is the primary controlling factor in completing the J-50 forms, the forms necessarily start with the SELPA's total number of units. But your point is well taken, and the information flow within the SELPA should work in the opposite direction. That is, the LEAs in a multi-agency SELPA should first report to the administrative unit the number of units of each type they will be operating. Then, when this information is aggregated at the SELPA level, the SELPA administrator can determine how many units of each type to request on the FRZ form.

J-50-LPA, Schedule B (Ages 3-21 Program)

This worksheet allocates a SELPA's FRZ level of units either to the local educational agencies (LEAs) within the SELPA or transfers them out to LEAs in other SELPAs. Additionally, the second page of this worksheet reports the transfer of units received from other SELPAs into LEAs belonging to the SELPA completing this form.

The starting point for this process is the SELPA's choice of the allocation of the FRZ level of units by program setting. The result of this allocation process is the number of units of each type allocated to each LEA, along with the specification of whether special day classes have zero, one, or two aides, as well as the specification of whether the resource specialist units have zero or one aide.

24. Q. ***What if the number of units or aides available is less than the number needed?***

    A. The FRZ level of units represents the maximum number of units available to the SELPA for distribution. For special day class FRZ units, the SELPA may average a maximum of 1.05 aides, and for each resource specialist FRZ unit, the SELPA receives a maximum of 1.00 aide. A SELPA may operate a higher level of units or aides, but the excess units and aides will have to be funded from local resources.

    A SELPA should have some procedure or formula for allocating units and aides to ensure a systematic distribution in the event that the number of units or aides available is less than the number needed. In some cases, the limit on the number of aides per special day class will require that some agencies be allocated special day classes with no aides. It should be noted that it is not uncommon for SELPAs to have unfunded units and aides.

25. Q. ***Our SELPA frequently has disagreements over how units and aides should be allocated. Are there any good formulas available for allocating units and aides?***

    A. Yes, but no one formula is appropriate for all SELPAs. Different SELPAs have developed different allocation formulas. Some formulas allocate units based solely on the K-12 enrollment of the participating school districts. Other formulas take units "off the top" for regional programs and/or severely handicapped programs and then allocate the balance of the units. Some SELPAs will give differing weight to the enrollments of elementary and high school districts, thereby recognizing the different service levels for these different types of districts. It would be useful to obtain allocation formulas from several different SELPAs to see which one would most closely meet the needs in your SELPA.

26. Q. ***When units are transferred from one SELPA to another to provide funding for transferring students, are there statewide standards that must be used to compute the fraction of a unit per student transferred?***

A. No. All transfers of units are based on local agreements. While a number of SELPAs base transfer units on the proportion of the pupils to the growth loading standards of 10-SDC, 24-RSP and 24-DIS (for example, 1/10 or 0.10 SDC for every SDC pupil transferred), there is no requirement to determine transfer units in that manner. In addition, some SELPAs require that a transfer include units for duplicated DIS services. For example, the transfer of an SDC pupil might require a unit transfer of .10 SDC and also .04 DIS. Other SELPAs base transfer units on agreed on caseloads for different handicaps, in which case the transfer of a severely handicapped student might correspond to 0.12 or 0.15 (or more) of a unit.

27. Q. ***If my SELPA transfers units to another SELPA at P-1, what happens to those units at P-2?***

A. Transfer units reported on Schedule B are in effect for one reporting period only, i.e. P-1 or P-2, and remain in effect for that one reporting period for that fiscal year in all subsequent certifications of that fiscal year unless amended. At P-2, unless you once again report those units as transferred out on the P-2 Schedule B, they will not be transferred to the other SELPA and will remain in your SELPA available for allocation to other LEAs. If you wish to continue the unit transfer for P-2, you must report the unit transfer on your P-2 Schedule B.

28. Q. ***What data should I check to avoid problems in reporting transfers of units with other SELPAs?***

A. To ensure the accuracy of your transfer units on Schedule B and Data Sheet III, it is critical that your communications with the other SELPA(s) are clear and that you both agree on several points: (1) instructional setting of transfer units; (2) number of units; (3) number of aides associated with the transfer units; (4) number of reporting periods for which the transfer is in effect; and (5) rounding procedures--whether the number of units is rounded to two decimals for each pupil or whether the amounts per pupil are summed up and rounded only for the total. Since transfer units are an important part of the allocation process, an error in reporting your transfer units will invariably ripple throughout the funding formula and create the need for many corrections.

29. Q. ***Why are units which I transfer to another SELPA deducted from my SELPA's FRZ units?***

A. Each SELPA receives its own level of units (J-50-FRZ units) to provide funding for the services provided to the special

education pupils who reside within the SELPA. If some of the special education students within your SELPA are served by another SELPA, that SELPA will commonly request transfer units in order to receive funding for the services it provides to your pupils. When your SELPA transfers units out, this will reduce the number of units available for funding in your SELPA and increase the number of units available in the SELPA or SELPAs receiving the transferred units.

30. *Q. If the J-50 forms start with Schedule B, whatever happened to Schedule A?*

A. In 1981, Schedule A was used as part of a growth calculation in that year, and Schedule B was used to allocate the funded number of units to the various agencies within the SELPA. While Schedule A is no longer used, Schedule B has maintained its same function as in 1981.

31. *Q. I see in footnote "b" of Schedule B for the ages 3-21 program that 80% of resource specialists must have an aide. Can a SELPA receive aide funding for more than 80% of its resource specialists?*

A. Yes. As stated in that footnote, Education Code Section 56362(f) merely establishes a statutory minimum program offering. The state will fund an aide for every resource specialist unit that uses an aide.

Schedule B, Infant Programs

This worksheet serves the same purpose for the infant program as Schedule B, ages 3-21 program, does for that program.

32. *Q. Why are Columns A and D not used on this form?*

A. The law does not provide for the funding of infant programs with special day class or resource specialist program units without an aide. Education Code Section 56728.8 specifies that funding for infant programs in special classes and centers shall be supported by two aides, unless otherwise required by the Superintendent of Public Instruction, and that resource specialist programs shall be supported by one aide. Unlike the ages 3-21 program which limits aide funding to 1.05 aides per SDC unit, with programmatic justification the infant program may receive funding for two aides for each of its SDC units. If the Superintendent of Public Instruction has determined that fewer than two SDC aides are required, the Infant J-50-FRZ form will indicate the number of SDC units with one aide and the number with two aides.

Form J-50-ALC

The purpose of this form is to report the total number of IPS units which are allocated to an individual school district or county office of education, taking into account units allocated from the agency's own SELPA as well as units transferred in from another SELPA. Additionally, this report includes both regular units and infant units. (The report of infant units will be separated from regular units at a later point; see the J-50-IPS worksheet.)

The other purpose of this form is to designate which of the allocated special day classes are for severely handicapped pupils.

33. Q. *What constitutes the total number of units allocated for a school district?*

    A. The total number of allocated units for a school district or county office of education is equal to: (1) the number of regular units of each type allocated from that agency's own SELPA; plus (2) the number of regular units transferred to that agency from another SELPA (if any); plus (3) the number of infant units (if any) allocated from that agency's own SELPA; plus (4) the number of infant units (if any) transferred in from another SELPA.

34. Q. *Is there a difference in funding between units designated as severely handicapped versus nonseverely handicapped?*

    A. Yes--in some, but not in all cases. Currently, the only distinction between severely handicapped and nonseverely handicapped special day classes is that of the support services ratio. For those LEAs which have a higher support services ratio for severely handicapped programs than for nonseverely handicapped programs, this difference in support funding will provide a higher total funding level for severe programs.

    Up through 1986, an aide for a severely handicapped program (severe aide) had a higher unit rate than an aide for a nonseverely handicapped program (nonsevere aide), and this differential resulted in a higher funding level for severely handicapped SDCs for all agencies. But since 1987/88, when the unit rate for nonsevere aides was increased up to the level of severe aides, that distinction has not applied.

35. Q. *Under what circumstances may a special day class be reported as severely handicapped?*

    A. Pursuant to the instructions for the J-50 worksheets, a severely handicapped special day class is a special day class with at least two-thirds of its enrollment composed of individuals with exceptional needs who require intensive instruction and training and programs serving pupils with the following profound disabilities: autism, blindness, deafness, severe orthopedic

impairments, serious emotional disturbances, severe mental retardation, or those individuals who would have been eligible for enrollment in a development center for handicapped pupils. Alternatively, a special day class which fails to meet this "two-thirds test" may still be classified as severely handicapped if it is differentiated from most special day classes in that it requires extensive additional support, such as more than one aide for at least part of the day; special materials, equipment and furniture; and additional psychological, nursing, or health services to meet the needs of the severely handicapped individuals in the class.

36. *Q. Can RSP and DIS units be classified as severely handicapped?*

A. Education Code Section 56737(c) specifies that the higher support services ratio for severely handicapped pupils is limited to special day classes only.

37. *Q. My district has the same support services ratio for programs for both the severely and nonseverely handicapped. What is the significance then of distinguishing between nonseverely and severely handicapped units?*

A. Severely handicapped units must be properly identified on the J-50 to ensure that the data reported on the program cost accounting forms (the J-380 for districts and the J-580 for counties), will not conflict with the data reported on the J-50. In addition, the J-50 data base is often used as a source of information by the State Department of Education, the Legislature, Office of the Legislative Analyst, the Department of Finance and by other concerned organizations in their endeavors on behalf of the special education program. Since this information is used to make decisions regarding the program, it is important that the data in the system are as accurate as possible. In this sense, everyone will benefit by the proper reporting of all data, including the designation of severe programs for the severely handicapped.

Form J-50-SSR

This worksheet is used to report the support services ratios for the nonseverely and severely handicapped programs.

38. *Q. Where did the support services ratios come from?*

A. The support services ratios are historic numbers and were computed from each LEA's reported support expenditures in FY 1979/80. This historic support services ratio is reported on Line 1 (EDP 635) of the SSR worksheet.

39. *Q. If Line 1 reports my historic support services ratio, why are the support services ratios used on the J-50s lower?*

A. In 1981, in an effort to reduce the enormous deficit in special education funding, the Legislature added Education Code Section 56737 which imposed a "squeeze" (i.e., reduction) for support services ratios higher than the statewide average of 0.5215. If your historic support services ratio on Line 1 is greater than 0.5215, then the support services ratio for the nonseverely handicapped program was "squeezed." Additionally, if your historic support ratio was greater than 150% of the statewide average (0.7823), then the support services ratio for the severely handicapped program was reduced to 0.7823.

This "squeeze" on support services ratios was phased-in between FY 1981/82 and 1983/84. Since that time, there have been no changes in support services ratios, except under certain circumstances when a school district unifies or when programs are transferred. [For a further discussion of the transfer of programs, see the SDE letters to the field, "Approval of Program Transfers Under Senate Bill 769", dated March 18, 1982, and "Approval of Program Transfers Under Assembly Bill 4074", dated June 19, 1989. (See Appendix.)]

40. *Q. In my district, the support services ratios for the severely handicapped and nonseverely handicapped programs are the same. Shouldn't I receive a higher funding level for severely handicapped programs?*

A. As discussed above, the support services "squeeze" reduced support services ratios which were greater than the statewide average. This "squeeze" created a differential in support services funding for severely handicapped and nonseverely handicapped programs--but only where the historic support services ratio was above 0.5215. In the case where the historic support services ratio was less than 0.5215, the support services ratios were not squeezed--nor were they increased to the statewide average--so both the severely handicapped and nonseverely handicapped ratios are equal to the historic ratio.

41. Q. *In the 1979/80 base year, my district operated nonseverely handicapped programs only. Next year my district will begin to operate a severely handicapped program. Will I be able to use a severely handicapped support services ratio which is higher than my current ratio?*

A. That depends. If the severely handicapped program to be started by your district is funded by a growth unit, then you must use your existing support services ratio for the severely handicapped. That is, the law does not allow any adjustment upwards in the support services ratio for growth units for severely handicapped programs.

On the other hand, if the severely handicapped unit you will be operating next year is received as the result of an approved program transfer, Education Code Section 56828(c) allows for a different treatment of severely handicapped support services ratios. If the transferring agency has a higher severely handicapped support services ratio, your district may use the higher ratio, provided there is no increased cost to the state. [For a further discussion of this issue, see the SDE letter "Approval of Program Transfers Under Assembly Bill 4074", dated June 19, 1989. (See Appendix B.)]

42. Q. *What if my district did not operate special education programs in 1979, and therefore has no historic ratio to use?*

A. If no special education program was operated in FY 1979/80, then the support services ratio is the lesser of 0.5215 or the statewide average support services ratio for the appropriate classification of district or county office as shown below and on the reverse of the SSR form.

Elementary districts of 100 or less ADA.....0.4414
Elementary districts with more than 100
and less than 901 ADA.....0.4588
High school districts with less than 301 ADA.....0.3211
Unified districts with less than 1,501 ADA.....0.5170
Elementary districts with more than 900 ADA.....0.5146
High school districts with more than 300 ADA.....0.5340*
Unified districts with more than 1,500 ADA**.....0.5712*

* Exceeds the statewide average; therefore, use the statewide average of 0.5215.
** Includes county offices of education.

Form J-50-LGF

This worksheet is used to calculate the local general fund contribution in the current fiscal year.

43. *Q. How was the local general fund contribution (LGFC) established?*

    A. The original LGFC was established based on the difference between a district's total reported cost of operating special education programs and services and the income received for those same programs and services in the 1979/80 base year (Education Code Section 56751). In addition, a base year amount of LGFC per ADA was established by dividing the district's LGFC by its P-2 K-12 ADA in FY 1979/80. Both the base year amounts of LGFC and LGFC per ADA are used in the calculation of a district's current year LGFC.

    In computing the amount of a district's J-50 state aid, a district's total computed special education entitlement is reduced by the amount of the LGFC in the current year. The LGFC is, in effect, a calculated level of local effort--it is a part of the computed special education entitlement which is not supplied from any other funding source.

44. *Q. What if my district did not operate special education programs in 1979? What LGFC do I use?*

    A. If your district did not operate special education programs in FY 1979/80, but operates programs in the current year, then your district has a zero LGFC.

45. *Q. Why does Line 1 of the LGFC worksheet refer to "recalculated" LGFC in 1979/80?*

    A. The original calculation of the LGFC was based on total expenditures for special education in FY 1979/80, including indirect costs up to the maximum allowable indirect cost rate in that year of 8%. This base year LGFC was subsequently recalculated (pursuant to an amendment to Education Code Section 56751) to exclude indirect costs greater than 4%, to parallel the recalculation of the base year support services ratio to exclude indirect costs greater than 4%. This recalculated LGFC is reported on Line 1.

46. *Q. Why does the calculation of the LGFC in the current year depend on the K-12 ADA in the current year?*

    A. The law provides that if a district's K-12 ADA is greater in the current year than in FY 1979/80, then the LGFC will be the same as in FY 1979/80. However, if the K-12 ADA is less than in FY 1979/80, then the LGFC shall be reduced proportionately to the decline in ADA (Education Code Section 56754).

47. *Q. Which ADA count is used in this calculation?*

A. This calculation uses a district's current year Second Principal Apportionment (P-2) K-12 ADA with class size penalties applied [equal to the ADA reported on revenue limit worksheet Schedule B, Line B-1 (EDP 027) less any class size penalties reported on the K-12 form, line E-13A1 (EDP 028)]. This ADA count excludes concurrently enrolled adults. The current year P-2 ADA count is used in this calculation, even for districts with declining ADA which use the prior year's ADA in their revenue limit calculations.

48. *Q. My district operates fewer IPS units in the current year than in FY 1979/80. Is the LGFC reduced proportionately to the reduction in IPS units?*

A. The LGFC is, in effect, a calculated level of local effort equal to an amount per K-12 ADA in the district. As discussed above, it fluctuates with a district's K-12 ADA. If a district's current year K-12 ADA is less than in FY 1979/80, then the district's LGFC in the current year will be proportionately less. However, if a district's K-12 ADA is higher than in the 1979/80 base year, than the LGFC will not increase--it will remain at the level established in the base year. No adjustment to the LGFC is recognized in statute for increases or decreases in the number of IPS units.

49. *Q. Must a district spend its LGFC on special education programs?*

A. There is no statutory requirement that a district spend its LGFC on special education programs, unlike state and federal aid for special education which is restricted and must be spent on special education. In practice, however, the majority of school districts do spend their LGFC on special education. Regardless of whether a district chooses to spend its LGFC on special education programs, the LGFC is always deducted in computing a district's J-50 state aid.

J-50-UR

This worksheet is used to calculate the unit rates for the various Instructional Personnel Service (IPS) units in the current year by adjusting the unit rates in the prior year by the cost-of-living adjustment (COLA) for the current year.

50. *Q. What is the origin of the unit rates?*

A. The original unit rates were calculated separately for each LEA from the average expenditures for salary and benefits in FY 1979/80 for special day class teachers, resource specialist teachers, DIS teachers, and aides. In the case of an aide unit rate, no reduction was made for those LEAs where the average aide worked more than six hours in FY 1979/80. But where the average aide worked fewer than six hours in FY 1979/80, the aide unit rate was increased to reflect expenditures which would have been made for six hours of service in that base year. As a result, the aide unit rate for most agencies reflects funding for six hours of service, and reflects funding for more than six hours of service for those LEAs which had a higher average number of hours per aide in FY 1979/80.

The unit rates for the current year are a result of multiplying the prior year unit rates for each instructional setting by the current year cost-of-living adjustment (COLA). Historically, the following COLA increases have been provided:

1980/81 - 9%	1985/86 - 6.19%
1981/82 - 5%	1986/87 - 5.49%
1982/83 - no COLA	1987/88 - 2.54%
1983/84 - 8%	1988/89 - 4.10%
1984/85 - 6.02%	1989/90 - 4.64%

51. *Q. My district did not operate special day classes in FY 1979/80 and so has no base year unit rate for that setting. What unit rate should I use?*

A. If an LEA does not have a base year unit rate in a program setting, then it uses the statewide average unit rate for that type of unit. For FY 1989/90, the statewide average unit rates are $34,881 for special day classes without an aide, $36,728 for resource specialist units without an aide, $34,996 for DIS units and $11,975 for an aide. The DIS classified conversion ratio based on the statewide average unit rates is .3422.

If you intend to allocate units to a district which has not previously operated a special education program or to a district which has discontinued its special education program and now wishes to resume operations, please notify your assigned special education fiscal analyst. This notification must occur prior to the beginning of the school year to ensure that the district is

included in J-50 entitlement calculations for the current fiscal year.

52. Q. ***Were the unit rates increased for the additional days or minutes required to meet the Longer Day/Longer Year programs which were implemented between FY 1984/85 and 1986/87?***

A. No, the unit rates were not increased. But school districts received additional revenue limit funding for these programs, as well as for the minimum teachers' salary program, and these revenues were folded into district base revenue limits. Note that these revenue limit add-ons are excluded from the revenue limit amount per ADA used to calculate the J-50 entitlements, thus resulting in their being retained by the district rather than deducted from its special education entitlement. (See the NET/ENT section for a further discussion of this point.) County offices of education receive their Longer Day/Longer Year funding for special day class ADA through the J-50 process. (See form J-50-DYR).

J-50-IPS

This worksheet is used to:

- Report the number of units of each type which are operated;
- Determine the number of units of each type which are funded--equal to the lesser of the number of units allocated or operated; and
- Determine whether the number of aides employed is at least as great as the entitlement level for aides.

This information is then used to calculate the entitlements for IPS units for infant units, nondeficited units, and regular units.

53. *Q. What is the difference between allocated, operated and funded?*

A. Briefly, for each instructional unit/aide category, units allocated are the maximum units available to the LEA for funding; units operated are the units actually utilized by the LEA; and units funded are the units which the state will fund, given the number of units available and used. In more detail:

- Units allocated represent the maximum units available to your LEA for funding in each instructional unit/aide category. These units are the sum of units received from the LEA's own SELPA plus any units received as transfer units in from other SELPAs for both the ages 3-21 and infant programs (refer to the section on the J-50-ALC form, question #33).
- Units operated are the actual number of units which you operated in each instructional setting, with the exception of units funded with federal discretionary grants (see this section, question #62).
- Units funded are those units which the state will fund; *i.e.*, the lesser of units allocated or operated. The state will fund an LEA only for the units which it actually operates and then only to the maximum available--its allocation level. The state will not fund units which were available to the LEA but which the LEA did not use, and it will not fund units operated which exceed the LEA's units allocated.

54. *Q. When is a unit deemed to be operated?*

A. There are three different rules for reporting: (1) special day class and resource specialist units; (2) DIS units; and (3) aides. More specifically:

(1) An SDC and RSP unit may be reported as operated for P-1 (*i.e.*, in Column D) if it is in operation by the last day of the last full school month ending on or before December

31 (a school month being defined as four weeks). Similarly, an SDC or RSP unit may be reported as operated for P-2 (*i.e.*, Column E) if it is in operation by the last day of the last full school month ending on or before April 15. The average of the P-1 and P-2 number of operated units is used for both the P-2 and Annual apportionments.

(2) The report of DIS units is based on the number of full-time-equivalent (FTE) employees averaged over the school year. That is, unlike the report of SDC and RSP units, which is based on two census dates, the FTE to be reported for DIS units is based on the average FTE for the school year through December 1 for the first principal (P-1) report; the average FTE for the school year through April 15 for the second principal (P-2) report; and the average FTE for the entire school year for the Annual report.

The determination of the FTE to be reported should be based on both the fraction of the employee's time performing services which may be reported as DIS, as well as the fraction of the fiscal year for which an employee is hired. For example, if a school psychologist, based on documented time, spends 80% of his or her time performing assessments, and 20% of his or her time providing counseling as required by students' IEPs, then 0.20 FTE may be reported for that person if he or she was employed for the entire school year. But, if that psychologist were hired in mid-November through the balance of the school year and maintained that 80/20% ratio of time spent, then the fraction of an FTE which may be reported as DIS would be equal to 0.20 times the ratio of the number of school days actually employed divided by the number of days in the school year.

Education Code Section 56363(b) establishes those services which may be considered designated instruction and services (DIS). Please note that time spent by specialized staff--such as psychologists, nurses, audiologists, social workers, vocational education staff, occupational therapists, physical therapists, and physicans--in assessment and IEP development,may not be claimed towards DIS FTE.

(3) There are two methodologies for determining the FTE of aides. The most commonly used method is to determine the number of aide hours actually paid on December 1 and on April 15, the census dates for determining aides. The alternative methodology is to use the average number of aide hours paid for the fiscal year. Under this alternative methodology, the total aide hours paid through December 1 are divided by the total workdays for that period; for P-2, the total aide hours paid through April 15 are divided by the total workdays for that same period; and, for the Annual report, the total aide hours paid for the entire school year are divided by the total workdays for that same period.

Regardless of the method used to determine the number of aide hours, that number of aide hours per day must be converted into an FTE count by dividing by the appropriate number of hours per aide FTE. For most LEAs, this divisor will be six hours. But, for those LEAs which used more than six hours for their average aide in FY 1979/80, the divisor will be the number of hours shown in FY 1979/80. This divisor was reported in FY 1980/81 on form J-50B-4, Line 3(b), EDP 267.

Districts using the cumulative FTE aide method must amend their P-1 Data Sheet I at P-2 and their Data Sheet I at Annual to ensure that the cumulative aides reported for both P-1 and P-2 are the same. Otherwise, the aide FTE reported at P-2 will be averaged with the aides reported at P-1, and the actual cumulative FTE will be lost.

55. *Q. **Many of my RSP and other special education classroom teachers such as language, speech and hearing specialists perform assessments as well as teach. Do I have to prorate their FTE between IPS units and assessment (i.e., support).***

A. Do not prorate between IPS units and support. Participation in assessment and IEP meetings is considered a part of these teachers' duties, so it is understood that some of their time will be spent engaged in these activities.

56. *Q. **May 20% of psychologist and nurse FTE be reported as DIS units without documentation?***

A. No. In order to report any kind of direct costs, your records, (e.g., DIS register), must document that services were provided to a special education pupil as specified in the pupil's IEP.

57. *Q. **How are classified DIS units calculated?***

A. For classified DIS units, the calculation of a full-time equivalent is based on the number of hours for a full-time-equivalent aide. (see question #54, item #3, for further discussion of this point.) That is, since the conversion factor used to convert the number of classified DIS units to the number of certificated-equivalent DIS units (see EDP 513, Column B, of form J-50-IPS) is equal to the ratio of the aide rate for a full-time-equivalent aide to the unit rate for a certificated DIS unit, the FTE for classified DIS units is calculated based on the same number of hours per FTE as for aides. Here again, as for regular DIS units the FTE for a person reported as a classified DIS unit who is not employed for the full school year must be adjusted to reflect the number of days employed as compared to the number of school days for the reporting period.

It is critical that the number of operated classified DIS units be reported in Column A of Line 1b, EDP 513--that is, prior to multiplication by the conversion factor in Column B--not in Column C.

58. *Q. What type of services may be claimed as classified DIS?*

A. Education Code Section 56363(b) states that designated instruction and services (DIS) may include, but are not limited to, a list of 16 service areas. Any noncertificated employee providing these services or other educationally required services as specified in a pupil's IEP may be reported as a classified DIS unit. Common examples of classified DIS services include health attendants, readers, transcribers, and occupational and physical therapists.

59. *Q. In my district, the average aide worked seven hours in FY 1979/80. Isn't my district being penalized now because it must provide seven hours of service for an aide FTE, whereas most other agencies need to have only six hours for an FTE?*

A. No. As discussed earlier, the unit rate for an aide is based on the average cost for an aide in FY 1979/80, but in no event less than the cost for a six-hour aide. If the number of hours per aide in FY 1979/80 was seven hours, then the FY 1979/80 unit rate for an aide was based on the cost of salary and benefits for seven hours of service, and thus the current year unit rate contains funding for seven hours of service.

60. *Q. The classified DIS conversion factor shown in Column B of EDP 513 is higher in the current year than it was several years ago. Why has this changed, and will it change again next year?*

A. The DIS conversion factor is equal to the ratio of the aide rate for an aide to the unit rate for a DIS unit--using the aide rate for a nonsevere aide. Up through 1985, the aide rate for a nonsevere aide was equal to 85% of the aide rate for a severe aide. As the aide rate for a nonsevere aide was increased in 1986 to 92.5% of the rate for a severe aide, and then increased again in 1987 to 100% of the aide rate for a severe aide, the DIS conversion factor increased accordingly. Since the aide rate for nonsevere aides has remained at 100% of the aide rate for severe aides since FY 1987/88, the conversion factor has remained unchanged since 1987 and will not change again unless the funding for aides is changed in the future.

61. *Q. My district serves infants through a contract with a nonprofit agency, yet I receive funding for these infant programs as units. How do I calculate infant units in this case?*

A. Infant programs are funded solely with infant units [Education Code Section 56430(c)], regardless of provider. Unlike the ages 3-21 program, contracts with providers of services to infants are

not funded through the J-50-NPS, but instead are funded by infant units. The law encourages this method as a cost-effective means of providing services to infants.

The J-50 Infant FRZ form indicates the total of units available to your SELPA for its infant programs. The SELPA administrative unit must inform each district with an infant program of its infant allocation. If your district contracts for services for its infants and your contract is in-place and operating for the year, report all of your infant allocation as operated. This will generate the funding for your contract with a certified nonpublic school or agency or with another public agency.

62. Q. ***I know that it is critical that the number of units allocated and the number of units operated match <u>line-by-line</u> to the extent possible. What should I do if there is not a match?***

A. There are several situations where this might occur. The following text discusses each of these in detail.

(1) If any of the units operated are less than the number of units of each type allocated--based on a line-by-line comparison--then the agency was allocated more units than it is using. For example, if an LEA's data on the IPS appeared as follows:

	Allocated	Operated
SDC-0 aide	3	1
SDC-1 aide	1	1
SDC-2 aides	2	2

In this case, the SELPA should reduce the allocation of SDC zero aide units for this agency to the level of units operated (*i.e.*, to one unit), and reallocate the other two units to other agencies which need them.

(2) If any of the units operated are greater than the number of units allocated on a line-by-line comparison, then the agency is operating more units than it is allocated and will have unfunded units. For example, if an LEA's data on the IPS appeared as follows:

	Allocated	Operated
SDC-0 aide	1	1
SDC-1 aide	1	2
SDC-2 aides	.50	.50

In this example, the LEA is operating one SDC unit with one aide for which it will not receive J-50 funding. The agency should inquire as to whether the SELPA has additional units available for allocation, such as units which were allocated to other LEAs in the SELPA which are not using their full allocation.

(3) The third case occurs when the number of units operated exceeds the number of units allocated on one or more lines, but on other lines the number of units operated is less than the number of units allocated. Improved reporting on the J-50 forms can help to minimize this situation. For example, if an LEA's data on the IPS appeared as follows:

	Allocated	Operated
RSP-0 aide	1	1
RSP-1 aide	1	0
DIS	0	1

In this example, if the SELPA allocated a unit as a resource specialist unit with one aide but the district decided to operate the unit as a DIS unit, then the allocation should be revised so that a DIS unit is allocated. The revision would need to begin with the J-50-FRZ form to increase the allocation of DIS units by one and reduce the allocation of RSP units by one. This change should also be reflected on Schedule B, the ALC form, and the IPS form.

(4) In other cases, it may be necessary to report the number of special day classes operated with no aide, one aide, or two aides to match the number of units of each type which were allocated, even if the number of aides used was more or less than the number of aides allocated. For example, if the LEA's data on the IPS appeared as follows:

	Allocated	Operated
SDC-0 aide	5	0
SDC-1 aide	9	0
SDC-2 aides	6	20
TOTAL	20	20

In this example, the LEA operated 20 SDC units and had 20 SDC units allocated (thus available for funding); however, because of the way in which this LEA reported its units, it would lose funding for 14 of the units which it operated. To correct this problem, the LEA must align its unit operations with its unit allocations--for units operated, the LEA should report 5 SDC-0 aide units, 9 SDC-1 aide units, and 6 SDC-2 aide units. The calculation of unused aides on the third page of the IPS form will adjust for any overall differences in the number of aides by ensuring that the number of aides funded does not exceed the number of aides actually used.

63. *Q. Is there something that I can do if the number of units operated exceeds the number of units allocated, and no more units are available from the SELPA to increase the allocation?*

A. For the sake of an example, suppose that your agency operates 11 IPS units, but is only funded for 10. Clearly, one of those units will be unfunded. As will be discussed in the "J-50-NET/ENT" section, if an agency has unfunded special day classes, then the J-50 forms allow that agency to retain revenue limit dollars corresponding to the ADA in the unfunded classes. For this reason, leaving a special day class unit unfunded will often result in the maximum amount of state aid, when the retained revenue limit dollars are considered. However, this is not always the case, and an LEA should evaluate the difference in state aid for having an unfunded special day class unit, an unfunded RSP unit, or an unfunded DIS unit. In all cases in which an agency's severely handicapped support services ratio is higher than its nonseverely handicapped support services ratio, the agency should consider that any unfunded SDC units are for the non-severely handicapped program.

Since an LEA may not independently change its unit allocation among the different settings, it must work through the SELPA administrative unit to achieve the desired distribution of its unit allocation. The SELPA AU, through the allocation process, has the ability to determine which units will be unfunded. The AU should be aware that the reallocation of units may require a change to the J-50-FRZ form.

64. Q. ***I know that in reporting my total units operated I should include units which I operate but for which I do not receive funding because of the effect that unfunded SDC units have on the revenue limit deduction on the J-50-NET/ENT. Are there any units which I should not report as operated on the J-50?***

A. You are quite right to include your unfunded units in your units operated, including fractional units such as from psychologists performing counseling required by an IEP, nurses providing health services required by an IEP, etc. However, in order to avoid double funding, it is necessary to exclude units funded from federal discretionary grants, such as infant discretionary grants, PL 99-457 preschool funds, LCI mid-year impaction emergency funds, or aides or classified DIS units funded by the low incidence service allocation. Since PL 94-142 local assistance funds are a reduction to the calculation of J-50 state aid, any units which an LEA internally charges against those funds should be reported on the J-50 forms.

65. Q. ***On the second page of the J-50-IPS worksheet, there are columns to report regular units, nondeficited units, and infant units. Can you explain these categories and the types of units to claim in each?***

A. These columns of the worksheet are used to separate the total number of funded units in Column A into the number of infant units, the number of units which are exempt from the deficit, and the balance of funded units which are simply called "regular"

units. It is critical that this report of regular units, nondeficited units, and infant units represent a distribution of the number of funded units in Column A, and not the number of operated units of each type. (Your funded units are the lesser of units allocated or units operated from the previous page of the J-50-IPS.)

In reporting the number of funded units in Columns B, C and D on the second page of the IPS worksheet, it is probably easiest to work backwards. The report of infant units in Column D is required to ensure that units which are allocated on the Infant Schedule B are actually used to serve infants. To ensure the integrity of infant units, the state will compare the infant units which the LEA reports as operated in Column D to its infant unit allocation--the sum of the infant units which the LEA receives from its SELPA plus any infant units which it receives as a transfer from another SELPA.

The report of the number of nondeficited units in Column C is required to implement Education Code Sections 56161 and 56169 which together exempt from the deficit entitlements for instructional services provided to (1) pupils with exceptional needs placed in public hospitals, state-licensed children's hospitals, psychiatric hospitals, proprietary hospitals, or a health facility for medical purposes; and (2) pupils with exceptional needs placed in licensed children's institutions (LCIs) and foster family homes by a court, regional center for the developmentally disabled, or public agency other than an educational agency.

The number of regular units reported in Column B is simply equal to the difference between the number of funded units in Column A minus the number of units reported in Columns C and D. In no case should the sum of the units reported in Columns B plus C plus D exceed the number of funded units in Column A. Also, in no case can the number of units reported in Columns B, C or D be negative.

66. *Q. Students in LCIs and foster family homes are scattered throughout my program. How should I determine the number of nondeficited units?*

A. Calculate nondeficited units on a prorata basis. For example, if a special day class with 8 pupils has 2 pupils in LCIs, then calculate 2/8 or 0.25 of a nondeficited unit. Base these calculations on the average of the December and April pupil counts.

For districts with many special education programs, where the exact distribution of LCI and non-LCI students per class cannot be easily determined, the ratio of LCI pupil count to the total pupil count in an instructional setting can be applied to the total operated units in that setting to calculate nondeficited

units. For example, if the total special day class pupil count is 500 and 50 SDC pupils reside in LCIs, then 50/500 or 10% of the 50 SDC units operated (*i.e.*, 5 SDC classes), may be reported as nondeficited. However, in distributing your total nondeficited units for an instructional setting among the different aide categories on the second page of the J-50-IPS, care must be exercised to ensure that the sum of the units reported as nondeficited and infant never exceeds the number of units funded in Column A for that particular aide category (funded units are the lesser of units allocated or operated carried forward from the previous page of the J-50-IPS).

67. Q. ***Some of my infant students are in foster family homes. Should I report units serving those infants in the nondeficited unit column (Column C) or in the infant column (Column D)?***

A. Since the infant units reported in Column D should correspond to the LEA's infant unit allocation, it is important to report all infant units in Column D, even if some of the infants are served in LCIs or foster family homes. Otherwise, units used to serve infants would lose their identity as infant units and a meaningful comparison of infant units allocated to infant units operated could not be made.

68. Q. ***Can infants and preschoolers be served in the same program?***

A. Yes. However, sources of funding are different for pupils in these age groups. J-50 funding for infant programs is restricted to services for infants (ages 0-2). J-50 funds are also provided for ages 3-5 requiring intensive services (RIS). Programs for ages 3-4 not requiring intensive services (Not-RIS) are supported by federal PL 99-457 discretionary funds. For purposes of accountability, the portion of the program operated for each of these age categories must tie back to the appropriate funding source.

69. Q. ***I understand that infant program units may not be used to fund regular program classes. Why does footnote "a" on the second page of the J-50-IPS worksheets say that regular units cannot be used to serve infants? Can I use regular units to serve infants?***

A. The provisions contained within Education Code Section 56728.6 govern the calculations with respect to reallocation and growth for the ages 3-21 program. Subdivision (a) of that section states, "...a special education local plan area shall be eligible for state funding of those instructional personnel service units operated and fundable for services to children three years of age or older at the second principal apportionment of the prior fiscal year...". Clearly, when the law states "for services to children three years of age or older..." it intends for units computed pursuant to this section to be used for the ages 3-21 program.

Beyond the law itself, reason would seem to dictate the same restriction. Most SELPAs do not have sufficient allocations of units to fund their ages 3-21 program. If a SELPA does have excess units, there is also the chance that the 3-21 program average unit loading is below the recapture standard of 9-SDC, 21-RSP, and 20-DIS or 39 duplicated DIS. Statute acknowledges the ages 3-21 and infant programs separately and does not allow consideration for infant pupil counts when evaluating whether a SELPA can retain its allocation of 3-21 units. If low unit loading in the ages 3-21 program is the case, it is not wise to build or expand infant programs on these excesses which may be subject to recapture. Further, waivers for exemption from recapture cannot be approved based on the fact that a regular program unit was used for the infant program.

70. Q. *I see on the third page of the IPS worksheets that the entitlement for aides is compared to the number of aides used. What happens if the number of aides used differs from the aide entitlement?*

A. This calculation is used to ensure that the entitlement for aides does not exceed the number of aides actually used. If the number of aides used is equal to or greater than the aide entitlement, then no adjustment to funding is made. But if the number of aides used is less than the aide entitlement, then an unused aide adjustment will be computed. In this case, the agency's entitlement will be reduced by the aide rate plus the support amount for the unused aides. (See J-50-ENT.)

71. Q. *If the number of aides used exceeds the entitlement, is there anything that I can do to receive funding for those aides?*

A. Yes, there are two steps which should be taken to maximize funding for any aides used above the entitlement level. First, inquire if any LEAs within the SELPA did not use their full entitlement for special day class aides. If this occurred, then the SELPA should allocate special day classes with fewer aides to those LEAs, thereby enabling the SELPA to allocate special day classes with more aides to other agencies.

Second, if insufficient aide entitlement is available even after a SELPA-wide review, the next step is to determine if any of the aides reported on the third page of the IPS form may be reported as classified DIS units instead. In many cases, there is an overlap between those services which may be reported as instructional aides and classified DIS units, such as for readers, transcribers, etc. This change will increase the agency's report of DIS units. If this change results in the agency having unfunded DIS units, the agency should explore whether changing the allocation of units to have unfunded SDC units instead of unfunded DIS units will result in a higher entitlement of state aid. If some aides are reclassified as

classified DIS units (or vice-versa), it should be kept in mind that aide FTE is based on the census dates of December 1 and April 15, while the report of classified DIS units is an annualized count. For example, if a full-time aide were hired on November 1 and remained throughout the school year, it is appropriate to report that person as 1.00 aide FTE. But, if that person is reported as a classified DIS unit, it would be necessary to report only a fraction of an FTE based on the number of days actually employed during the school year.

72. *Q. What if I do not report nondeficited units?*

A. If there is a deficit for special education, that deficit is not applied to the funding for units reported as nondeficited on the J-50 forms. If you did not report any nondeficited units, even though you are entitled to do so, then the number of regular units will be higher and the impact of the deficit will be greater. If special education is fully funded in the current year, then there is no funding difference between regular units and nondeficited units. However, for state analysis of the impact of pupils in LCIs and foster family homes, etc., it is important to report the number of nondeficited units even when there is no funding difference.

73. *Q. One of our classified DIS units is a physical therapist, and the salary for this employee is very close to that of a typical DIS teacher. If I report this person as only 1.00 classified DIS unit, the funding I will receive is at the same level as an instructional aide, or far below their salary level. May I report this person as 2.00 FTE since their salary level is 2.00 times my aide rate?*

A. No! The calculation of classified DIS FTE is based on only the number of hours, and not on the salary level provided. However, you should keep in mind that if this employee works more than the number of hours for 1.00 aide FTE (typically six hours), then that employee is working more than 1.00 FTE. For example, if your district uses 6.00 hours for 1.00 aide FTE, then an eight hour physical therapist would equal 1.33 classified DIS FTE (8.00/6.00).

74. *Q. If a unit is provided through the use of a long-term substitute--or, for a teacher with an emergency credential--may that unit be reported as operated?*

A. Yes. As long as an appropriately certificated or waivered teacher is employed and a unit is operated, that unit may be reported. This applies to certificated staff only and does not apply to individuals in DIS classified positions.

J-50-EXT

This worksheet is used to compute the IPSU entitlements for extended year programs. This entitlement is calculated separately for infant programs, preschool programs, and programs for the ages 5 to 21 group. Additionally, the entitlements for each of these age groups is further separated between programs for the nonseverely handicapped and severely handicapped.

For the severely handicapped extended year program, unit rates are computed on a prorata basis, based on the ratio of the number of days taught in the extended year program to 175 days. Additionally, the severely handicapped extended year program receives support services funding based on the nonseverely handicapped support services ratio. The nonseverely handicapped extended year program receives an entitlement based on 60% of a prorata unit entitlement, plus support services using 50% of the nonseverely handicapped support services ratio.

75. Q. ***Extended year programs generally start in June of one fiscal year and end in July or August of the next fiscal year. In which year or years should the extended year program be reported?***

A. Extended year programs are always reported in the fiscal year in which they end. This is to your advantage, since you receive the benefit of the cost-of-living adjustment applied to the unit rates in the next fiscal year.

76. Q. ***In reporting the number of days taught for reimbursement on the J-50-EXT, may I include holidays (e.g., 4th of July) or special education in-service days?***

A. No, to both parts of your question. Section 3043 of Title 5 of the California Administrative Code specifies that "an extended year program shall be for a minimum of 20 instructional days, including holidays." This means that if the 4th of July or other holiday occurs during the extended year program, that holiday may be counted towards meeting the 20-day minimum. But this provision does not allow the holiday to be counted towards the funding reimbursement. In fact, Section 3043 goes on to state that "for reimbursement purposes...a maximum of 55 instructional days excluding holidays, shall be allowed... ." This clearly implies that holidays should not be counted for reimbursement purposes.

As to the second part of your question, Education Code Section 56242 authorizes the counting of staff development days for special education apportionment purposes. However, this section refers only to staff development held "during the regular school year." Thus, staff development days held during the extended school year would not count for apportionment purposes.

77. Q. ***I know that the extended year unit rates are calculated by multiplying the regular year unit rate times the ratio of the number of days of the extended year program to 175 days. Why is 175 days used as the divisor in this calculation now that my school district is operating on a 180-day regular school year?***

A. In 1979, (the base year for determining the special education unit rates), virtually all school districts operated a 175-day instructional year. Although most districts currently operate a 180-day instructional year, the funding for the longer year program was provided through revenue limit adjustments for school districts or the separate special education funding for county offices of education, and not through increases in the unit rates themselves. For this reason, it is appropriate to continue to use the 175-day divisor to determine the prorata unit rate for the extended year program.

78. Q. ***My agency operates extended year programs of different lengths. How do I calculate the number of days taught?***

A. You should report the average number of days taught per special day class. This average is computed by adding up the number of days taught for each of the special day classes, and then dividing by the number of special day classes. For example, if a district operates one special day class for 20 days, one for 25 days, and one for 30 days, the average number of days taught is equal to the sum of the days (20 + 25 + 30, or 75) divided by three classes to yield an average of 25 days. If this calculation results in a fractional number of days, round off to the nearest whole number.

79. Q. ***In reporting the SDC enrollment, should I report the number of pupils who actually attend the last day of the second week of the session, or the number of pupils enrolled at that time?***

A. You should report the enrollment, regardless of whether or not a pupil actually attends on that day.

80. Q. ***For the infant extended year program, very few of the infants attend the program every day. How should I report the infant SDC enrollment?***

A. As discussed on the reverse side of the extended year worksheet for infants, those infants who attend the program for fewer than 5 days per week must be converted to a full-time-equivalent enrollment. (See those instructions for further details.)

81. Q. ***During the regular school year, my district needs to provide 6 hours of aide service for one aide FTE. For the extended year program, the entire program lasts only 4 hours per day. Do I need to provide 6 hours of aide service for one FTE, or may I claim 4 hours of service for one aide FTE?***

A. For the extended year program, you may claim one aide FTE for 4 hours of service. The law is very specific in the calculation of funding for extended year. The language adjusts the unit/aide rate for the reduced number of days, but makes no mention of either reducing the unit/aide rate further for the shorter instructional day or of claiming anything less than one full FTE. We can assume that the reductions to the reimbursement for extended year already built into the law--nonsevere unit/aide entitlement reduced by 40%, nonsevere support entitlement reduced by 50%, and severe support entitlement based on the nonsevere support services ratio--were all aimed at reducing the cost of this part of the special education program, and that no further reductions are necessary.

82. Q. ***How should I calculate the number of aide FTE and the number of DIS FTE for the extended year program?***

A. The calculation of the prorata aide and DIS unit rates for the extended year program is based on the average number of days taught, as reported on the first line of the EXT worksheet. In order to be consistent with this number, the calculation of aide FTE and DIS FTE must be based on the total number of days of service divided by the number of days taught. For example, if a district operates a severely handicapped extended year program consisting of one special day class with one aide for 20 days plus one special day class with two aides for 30 days, the average number of days taught is equal to (20 + 30)/2, or 25. The number of aide days used is one aide for 20 days plus two aides for 30 days or a total of 80 days of aide service. Since the aide unit rate is prorated based on the ratio using 25 days taught, it is appropriate to compute the aide FTE by dividing 80 by 25 to yield 3.2 aide FTE. (Had the district in this example simply reported three aides, it would not have been funded for its true level of service.) Similarly, the number of DIS FTE should be calculated based on the number of days of service divided by the reported number of days taught.

83. Q. ***The instructions for the extended year worksheets for the severely handicapped indicate that the maximum aide entitlement is two aides per SDC unit. Isn't the maximum aide entitlement 1.05 aide per SDC?***

A. The limit of 1.05 aides per SDC applies only to the regular year program. For the severely handicapped extended year program, special days classes may <u>average</u> two aides per unit. For example, if an agency has three aides in a severely emotionally disturbed extended year class and one aide in another severely handicapped extended year class, the agency would average two aides per class and would receive funding for all of the aides.

84. Q. ***Are the rules for differentiating between severely handicapped and nonseverely handicapped special classes the same for the extended year program as for the regular year program? That is,***

if an extended year class has fewer than two-thirds of its pupils meeting the definition of severely handicapped, but has extraordinary needs for services or equipment, may that extended year class be called severely handicapped?

A. Yes. The instructions to the J-50 forms defining when a class may be considered severely handicapped does not distinguish between the regular year and extended year programs. Thus, the same rules would apply for extended year programs as for the regular year.

85. *Q. My district is an elementary district and recently had a pupil complete the 8th grade who then entered an extended year program. Should this pupil be in the extended program operated by my district or by the high school district?*

A. In many cases, local agreements would determine whether the pupil would be enrolled in the extended year program for the elementary district or the high school district. Hopefully, your two districts work well together and have agreements as to which district's program the student should attend, based on the student's need and the different programs offered. But if there is no local agreement, the rule of thumb is that the extended year program is considered an extension of the regular year program. Since the student was enrolled in the 8th grade in the elementary district, the extension of that program would still be provided by the elementary school district.

J-50-NPS

The NPS worksheets collect data regarding contracts with certified nonpublic schools and agencies to provide special education services and/or related services as specified in the pupil's IEP. There are two parts to the NPS worksheet. Part II is used to report detailed information about placements in certified nonpublic schools and agencies including information about the school or agency, contract amount, ADA, and type of placement. Part I summarizes the funding information by the three different reimbursement categories and computes the J-50 state aid reimbursement.

86. *Q. What are the three different reimbursement categories for placements in certified nonpublic schools or agencies?*

A. The three different categories reflect: (1) NPS/NPA costs associated with placements made by the educational agency completing this report, including expanded IEP team (AB 3632) placements, and residential costs incurred by the LEA, if unrelated to AB 3632 placements (Column A); (2) NPS/NPA costs associated with pupils residentially placed in licensed children's institutions (LCIs) or foster family homes by a noneducational public agency, but where the parents of the pupil reside in the same school district as the LCI or foster family home and retain legal responsibility for their child's education (Column B); and (3) the balance of NPS/NPA costs associated with pupils placed residentially in an LCI or foster family home by a noneducational public agency (Column C).

The three categories listed above reflect differing levels of responsibility and thus provide differing levels of reimbursement. More specifically:

(1) A placement is reported in Column A when the district of residence is clearly responsible for the education of the child because the parents live in the district and the educational agency made the placement, either independently or as a member of an expanded IEP team (see AB 3632, placements). If it is necessary for the district to make a residential placement to facilitate an NPS placement, district-incurred residential costs may also be claimed in Column A. Because the district is responsible for Column A NPS and residential placements, the state reimburses only 70% of the excess cost of Column A placements.

(2) A placement is reported in Column B under circumstances similar to those for Column C placements, with the exception that the parents live in the school district and retain legal responsibility for the child's education. The costs associated with these educational placements are treated as though the district is responsible, even though the district itself may not have made the residential placement. For

this reason, the state reimburses only 70% of the excess cost of Column B educational placements.

(3) A placement is reported in Column C when a court, social service agency, juvenile probation department, regional center or other noneducational public agency made the residential placement in a licensed residential facility or foster family home, except when the residential placement is a part of an expanded IEP team placement made under Chapter 26.5 (AB 3632). Since the child did not originally live in the school district (or because the parents do live in the school district but do not retain legal responsibility for their child's education), this imposes a burden on the school district. Recognizing this burden, the state reimburses 100% of the excess cost for NPS/NPA placements associated with these pupils.

Residential costs should never be claimed in association with placements reported in Columns B and C as these costs are the responsibility of the agency making the residential placement; not the responsibility of the district or county office.

It should be noted that in the event that the apportionment is certified with a funding deficiency, only the costs reported in Column A of the J-50-NPS are deficited.

87. Q. *I have a difficult time distinguishing between nonpublic schools (NPS) and licensed children's institutions (LCI). Can you clarify these terms for me?*

A. Yes, and you are not alone. These terms are often confused. Just remember that nonpublic schools and agencies provide special education or IEP-related services and must be certified by the State Department of Education. Licensed children's institutions are residential facilities where pupils live and are licensed by the State Department of Social Services or by another local social services agency.

88. Q. *What is meant by the excess cost of nonpublic school placements?*

A. The excess cost is equal to the costs of the tuition plus any related services minus the revenue limit amount generated by ADA in nonpublic schools. The ADA generated in nonpublic schools includes both ADA for the regular year program plus any extended year ADA. [The revenue limit amount per ADA used in this calculation (see Line 3 of J-50-NPS, Part I, EDP 705), is equal to the district's revenue limit amount per ADA used for special education purposes as computed on Revenue Limit Form K-12, Line E-15d (EDP 115).]

The nonpublic school ADA in this calculation is obtained directly from the J-18/19 attendance report. Item 4a of the instructions for the J-50-NPS, Part II (appearing on the reverse of this

worksheet) shows the cross reference between the ADA used for Columns A, B and C placements and the lines of the J-18/19 attendance form. It is critical that the nonpublic school ADA reported in Columns A, B and C of Part I of Form J-50-NPS match the three different types of nonpublic school ADA reported on the J-18/19 ADA report.

89. Q. ***If most preschoolers are not age-eligible for ADA calculations, should I explain the omission of NPS ADA when reporting an NPS contract for services to these preschool pupils on the J-50-NPS form?***

A. Yes. There is ADA reported and a revenue limit deduction involved for the majority of NPS contracts. But when reporting a preschool NPS contract for a pupil who is not age-eligible for ADA calculations, no ADA is reported and no revenue limit deduction is taken. You should note this circumstance on the J-50-NPS, Part II, by making a notation about the preschool contract. Otherwise, you will most assuredly receive a Local Assistance Bureau inquiry regarding the missing ADA.

90. Q. ***On Part II, do I need to report the name, address and license number of the LCI or foster family homes for <u>all</u> of the nonpublic school placements?***

A. No. Only for the Column B and Column C placements. This information does not apply to Column A placements.

91. Q. ***Part II, Column VII, reports related services costs. Should the related services costs be reported in Column VII if they are already included in the NPS costs reported in Column V?***

A. No! Double counting of costs must not occur. Some pupils receive only related services through nonpublic agencies, and those costs should clearly be reported in Column VII. But many pupils served by nonpublic schools (for whom costs are reported in Column V) also receive related services. It is critical that the related services costs not be reported in both columns. That is, if related services costs are reported in Column VII, those costs must be excluded from the NPS costs reported in Column V. It is useful for the state to obtain separate information on related costs, and so, if possible, those costs should be separated from the NPS costs in Column V.

92. Q. ***I have a student who requires medically necessary related services--even California Children Services (CCS) agrees. But CCS will not serve the student at a time and place that is feasible. Thus, I am forced to provide the service, and I use a contracted service. If the provider is certified as a nonpublic agency, may I claim the cost on the NPS page?***

A. Yes, you may claim the costs on the J-50-NPS as a related services cost.

93. *Q. May a district contract with a person who is certified as a nonpublic agency and have that person work at a district site?*

A. Yes, when no appropriate public education program is available to provide services required by a pupil's IEP; a district, county office, or special education local plan area may contract with a nonpublic school or agency for services (Education Code 56365). If these services can be provided at the school site, this allows the child to remain in the school program to the maximum extent possible and avoids the need for transporting the child.

94. *Q. How should I report a placement where a court ordered the school district to place the pupil in a nonpublic school? Should it be considered a placement by the school district, and reported in Column A or a placement by a non-educational public agency, and therefore eligible for 100% reimbursement in Column C?*

A. When a court, based on due process and court-ordered placements resulting from due process actions, directs a school district to make an educational placement, the court is in effect requiring the district to honor its educational responsibilities. Such a placement must therefore be reported as a district placement (Column A) and not as a placement associated with a residential placement made by a noneducational public agency (Column C).

If the placement is not associated with a due process action, then the court is making a residential placement, not an educational placement. At that point, the LEA in which the facility is located becomes responsible for the education of the pupil and will hold an IEP team meeting to decide on the appropriate educational services for the pupil and the provider of those services. In these cases, if the pupil is placed in a nonpublic school, the costs are reported in Column C or B, as appropriate.

95. *Q. I know that on the Annual J-50 report, the nonpublic school tuition and related services costs will be the total amount paid for the fiscal year. For the P-1 and P-2 reports, however, should I report: (a) the estimated total amount for the fiscal year? or (b) only the amount paid through the P-1 or P-2 reporting period?*

A. The NPS tuition amounts reported for the P-1 and P-2 J-50 reports should be an estimate of the Annual tuition.

96. *Q. What should I report in Column I of Part II if a nonpublic school is not on the State Department of Education certification list?*

A. It is not legal to contract with nonpublic schools or agencies in California which have not been certified by the State Department of Education [Education Code Section 56366(c)]. Therefore, it is the responsibility of the educational agency

to ensure, prior to signing a contract for tuition, that the nonpublic school has been certified by the State Department of Education or has a current waiver authorized by the department. (*Please note:* the department no longer issues retroactive certifications to nonpublic schools.)

97. *Q. Does the state certify out-of-state NPS? Are there any controls on out-of-state placements?*

A. Yes, the state will certify an out-of-state nonpublic school providing that it meets the state's certification requirements. Before a placement may be made in an out-of-state nonpublic school, the local educational agency must make every effort to place the pupil in an appropriate public school program or nonpublic school program within the state [Education Code Section 56365(d)].

98. *Q. May transportation costs be included in the NPS tuition or related services costs?*

A. If the contract with a certified nonpublic school or agency stipulates that the school or agency is responsible for providing transportation, then the transportation costs may be reported on the J-50-NPS. But, if the school district or county office of education is responsible for providing transportation, then transportation expenses may not be reported on the NPS worksheet. They are to be reported as costs on the J-141 form.

99. *Q. I see that Column VIII of Part II of the NPS worksheet is used to report the identification and assessment costs for pupils residing in LCIs. Which costs may be reported in this column?*

A. First of all, it should be pointed out that the assessment and identification costs may be claimed only for pupils residing in either LCIs or foster homes, and only for those placements reported in either Column B or Column C of Part I of the NPS worksheet.

The assessment and identification costs which may be reported are for assessments performed by district or county office specialized staff performing direct services for identification and assessment, including any subsequent assessments and time spent in individualized education program (IEP) meetings. Costs may not include administrative or indirect costs or any proration of support costs. Thus, only the costs computed from the documented time spent by the specialized staff may be claimed. Assessments performed by certified nonpublic school or agency staff which are billed as part of the tuition may only be claimed as tuition and not in this assessment and identification cost column. However, costs for consultants hired by the LEA to perform specialized assessments for LCI or foster family home pupils in nonpublic schools may be claimed.

The state J-50 appropriation for the district/county office provided assessment and identification costs for pupils who reside in licensed children's institutions, foster family homes, residential medical facilities, and who are placed in state-certified nonpublic schools, has been capped annually. Because statewide reported J-50 costs have annually exceeded this capped appropriation, all entitlements for district/county office provided assessment are prorated accordingly. Once certified, the proration factor and the resulting entitlement are provided on the J-50-NPS exhibit.

100. *Q. Footnote "c" on Part I of the NPS worksheet indicates that the state will reimburse 100% of the excess cost of a nonpublic school placement "for a pupil attending a school operated by a public hospital, state-licensed children's hospital, psychiatric hospital, proprietary hospital or a medical facility." Is this true?*

A. Yes. Education Code Section 56775 allows for the reimbursement of the excess costs of nonpublic school and agency contracts associated with pupils "...in licensed children's institutions, foster family homes, residential medical facilities, and other similar facilities funded under this chapter". Although Article 5.5, the article of law dealing with residential medical facilities, is not specifically referenced in Education Code Section 56775, the law does specifically include placements in residential medical facilities among those placements eligible for 100% reimbursement.

101. *Q. Under what circumstances may residential costs be claimed towards nonpublic school tuition?*

A. Residential costs may be claimed on the J-50-NPS when the residential placement was made by the LEA, is included in the pupil's IEP and was not made pursuant to an expanded IEP team meeting. LEA-incurred residential costs must be claimed in Column A of Part I. For educational placements reported in Columns B and C of Part I, residential costs may not be claimed, because they are the responsibility of a public agency other than an educational agency.

102. *Q. If a student attends a nonpublic school both for the regular year and the extended year, may the data for that student be reported together on Part II?*

A. Yes.

103. *Q. As the result of an expanded IEP team meeting under AB 3632, our county mental health agency placed a severely emotionally disturbed pupil in a residential nonpublic school. I understand that my school district is responsible for the educational costs of the pupil. Since the placement was made by a noneducational*

agency, should we report the costs in Column C, thereby receiving 100% reimbursement for the excess costs?

A. No. Even though the county mental health agency directed that the placement be made in a specific nonpublic school, the placement was the product of an expanded IEP team meeting which included your school district. Because your school district was a part of that IEP team, the placement is deemed to be made by an educational agency and must be reported in Column A.

104. Q. ***Our infant program is provided through a contract with a certified nonpublic agency. Should those costs be reported on the J-50-NPS worksheet?***

A. No. As discussed above in the section on the J-50-IPS worksheet, infant programs may be provided through a contract with a nonpublic agency. But, in all cases, those programs must be reported as units and not as tuition on the J-50-NPS worksheet.

105. Q. ***How should I report costs if a parent places a child in a residential program in a nonpublic school?***

A. Generally, if a parent unilaterally places a pupil in a nonpublic school, either in a residential or nonresidential placement, the tuition is the responsibility of the parent. The exception to this rule is, of course, when the parent has challenged the appropriateness of the district's placement through due process and a hearing officer or court orders the educational agency to accept the placement chosen by the parent as the appropriate placement. In this case, the district would be responsible for the cost of the services ordered by the hearing officer or court.

J-50-DYR

This worksheet is used to calculate the longer day and longer year incentives for county offices of education for special day class ADA only. This incentive is calculated only for those county offices of education which: (1) offered at least 180 instructional days in the 1985/86 school year; and/or (2) met the minimum annual instructional time requirements for the longer day program in 1985/86 (first year) or 1986/87 (second year). County offices which did not meet the standards during the "window periods" in 1985/86 and 1986/87 are not eligible for these incentives regardless of the length of their instructional year or instructional day in the current year.

Those county offices of education which qualified for these incentives in FY 1985/86 and/or 1986/87 may receive the current year incentives only if they maintain the minimum standards.

106. *Q. Do all students have to be offered the minimum longer day instructional time specified in Education Code Section 46201.5 in order to receive the incentive monies? What about students whose IEP specifies a shorter instructional time?*

A. Students must receive the same length of day as their nonhandicapped peers unless a different length of day is specified in the IEP. If a student's IEP specifies a shorter level of annual instructional time than the minimum required by Education Code 46201.5, the IEP supersedes the statutory minimum time standard, and the incentive may be claimed for that pupil. However, all other students must be offered at least the statutory minimum time.

107. *Q. Do the longer day/longer year standards apply to infant and preschool programs?*

A. No. The longer day/longer year standards only apply to K-12 programs. Since infant and preschool students do not generate ADA, no longer day/longer year funding is provided for these pre-kindergarten programs.

J-50-ENT

This worksheet completes the calculation of the special education entitlement for instructional programs. It also integrates the amounts previously computed for IPS units for the regular and extended years, and for nonpublic schools, and also computes the entitlement for support services. The first page of the ENT worksheet is for the nonseverely handicapped program. The second page is used for severely handicapped programs and also to report the nonpublic schools entitlement.

108. *Q. Can you explain the unused aide adjustment on Line 2 (EDP 072) and Line 24 (EDP 088)?*

A. On the third page of the IPS form, a calculation was made to determine whether the number of aides used was at least as great as the aide entitlement. As discussed earlier, if the number of aides used was equal to or greater than the aide entitlement, then there is no adjustment. But if the number of aides used is less than the aide entitlement, the agency has unused aides and a corresponding reduction to the entitlement is made.

The unused aide amount is reported in Column C on the third page of the IPS form, for EDP 576 (nonseverely handicapped), EDP 578 (severely handicapped), and EDP 580 (total amount of unused aides). If EDP 580, Column C, is 0 or negative, there is no unused aide adjustment; however, if EDP 580, Column C, is positive, then this amount must be reported in the unused aide adjustment on the ENT worksheet. If there are unused aides for both the nonseverely handicapped and the severely handicapped programs (*i.e.*, if EDP 576, Column C, and EDP 578, Column C, are both positive), then the amount on EDP 072, Column A, should equal the amount on EDP 576, Column C, and the amount on EDP 088, Column A, should equal the amount on EDP 578, Column C.

If, however, EDP 576, Column C, is positive and EDP 578, Column C, is negative, or vice versa, only the net amount of the unused aide adjustment--equal to the amount of EDP 580, Column C--should be reported in the unused aide adjustment. In this case, this net amount would be reported on EDP 072 if the nonseverely handicapped calculation yielded unused aides (if EDP 576, Column C, was positive), or on EDP 088, Column A (if EDP 578, Column C, yielded a positive amount).

In no event should the amount of the unused aide adjustment reported in Column A for EDP 072 or EDP 088 exceed the regular year entitlement as reported in Column A for EDP 061 (nonsevere) or EDP 081 (severe). If necessary to avoid this situation, the balance of the unused aide adjustment must be reported in Column B of EDP 072 or EDP 088, instead of in Column A.

109. *Q. Why is the adjustment for DIS units in excess of 1980/81 DIS units operated on lines 6-8 of the J-50-ENT worksheet calculated at P-1 but then not used at P-2?*

A. This calculation is required by Education Code Section 56738 which stipulates that only one-half of the support services entitlement may be allocated to DIS units in excess of the number of DIS units operated in 1980/81. Historically, the comparison of current year DIS funded to 1980/81 DIS operated is reported and measured at P-1. Each year the statewide total DIS funded has been less than the 1980/81 DIS operated. State control agencies have agreed that no individual district should be adjusted until the statewide DIS total exceeds the 1980/81 level. If there is no excess on a statewide basis, then individual districts are not adjusted, even if they have reported a positive DIS 80 adjustment. This procedure is not repeated at P-2 because the total number of units in the system does not increase between P-1 and P-2, and at the present, it is unlikely that FRZ shifts would increase DIS units beyond the DIS 80 level.

To properly compute current year DIS units in excess of 1980/81 DIS units, LEAs must be careful to exclude from their current year DIS units all units which were (1) reallocated by the SELPA, either from another LEA or from the Special Day Class or Resource Specialist settings to DIS; (2) infant DIS units; and (3) DIS units transferred to you from another SELPA. The P-1 Data Sheet I lists the number of DIS units which your LEA operated in 1980/81 beside the title "DIS 80".

110. *Q. Under which circumstances does the adjustment for units started between P-1 and P-2 apply?*

A. Education Code Section 56738(a) states that any IPS units started between P-1 and P-2 shall receive only half of the usual support services ratio. In making this calculation, as stated in footnote "f" on the J-50-ENT form (Second Principal), units started after the P-1 cutoff point may be excluded from this calculation if: (1) they were reallocated from another LEA or from another program setting; (2) they were transferred to your LEA from another SELPA; or (3) they were received from the current year growth calculations. These exclusions are made to ensure that an LEA is not penalized by failure to start a unit at P-1 due to the late notification of eligibility for growth, nor penalized as the result of units being transferred or reallocated.

As a result of these exclusions, the only units which should be reported in the adjustments for the units started between P-1 and P-2 in Lines 9-18 (for nonsevere) or Lines 28-30 (for severe) should be those units which were idle in the system--that is, not used by any LEA at P-1--and, furthermore, which were not growth units allocated in the current fiscal year. As a result of these exclusions, it is highly unlikely that any units should be reported in this calculation of the adjustments started between P-1 and P-2.

Each LEA is cautioned against unnecessarily reporting units started between P-1 and P-2. One of the common mistakes in this calculation is to report an increase in the number of severely handicapped special day classes at P-2 and a corresponding decrease in the number of nonseverely handicapped special day classes at P-2 (or vice versa). Since a negative number is zeroed out while a positive number results in receiving half of the usual support services ratio, such reporting would result in an unnecessary penalty for an LEA.

111. Q. ***Why is .50 of the nonseverely handicapped extended year entitlement subtracted from the regular entitlement on Line 20?***

A. Education Code Section 56737(e)(2) specifies that the support amount for the nonseverely handicapped extended year program shall be calculated using half of the nonseverely handicapped support services ratio. On the ENT worksheet, rather than multiplying the nonseverely handicapped extended year entitlement by .50 of the support services ratio, this calculation of the support services entitlement multiplies .50 of the nonseverely handicapped extended year entitlement by the full nonsevere support services ratio. The resulting amount of the support services entitlement corresponds to this Education Code section.

112. Q. ***In a calculation on Line 33 of the severe support services entitlement, why is the severely handicapped extended year entitlement multiplied by the nonseverely handicapped support services ratio (the instructions require multiplying Line 21 by Line 26)?***

A. Education Code Section 56737 specifies the calculation of support services entitlement. Paragraph (2) of subdivision (e) of this section requires that the severely handicapped extended year entitlement be multiplied by the nonseverely handicapped support services ratio.

J-50-NET/ENT

The first page of the Net Entitlement (NET/ENT) worksheet starts on Line 1 by adding the entitlements calculated separately for regular programs, nondeficited programs, and infant programs to determine the total program entitlement. Lines 2-9 then calculate the other sources of revenue which count towards funding this entitlement, namely: (1) revenue limits for special education ADA; (2) PL 94-142 local assistance revenue; (3) the local general fund contribution (for school districts only); and (4) special education property taxes (for counties only). The difference between the total program entitlement and these other sources of revenue is equal to the entitlement for J-50 state aid for special education.

The second page of the NET/ENT worksheet is used only by: (1) the SELPA administrative unit for calculations involving the PL 94-142 Local Assistance Grant, program specialists and regionalized services funding, and low incidence funding; and by (2) a county office of education to report longer day/longer year incentive funding. This page also allows a SELPA to choose if it wants the total appropriation of state aid for all LEAs in the SELPA to go to the AU of the SELPA.

113. *Q. What is the purpose of the ratio on Line 1e of the NET/ENT form?*

A. As discussed earlier, programs for students in LCIs and foster family homes served by IPS units or nonpublic schools are exempt from the deficit. The ratio on Line 1e will be used on Lines 10 and 11 to prorate the J-50 state aid entitlement into an amount which is exempt from the deficit (Line 10) and an amount which is subject to any deficit (Line 11).

114. *Q. Line 2a (EDP 327) collects the special education P-2 ADA for special day classes. The instructions on that line clearly state that I should exclude ADA in nonpublic schools (since it is already reported on J-50-NPS) and county office special education ADA credited to the district. My question is, should this report include extended year ADA? And what about the Master Plan ADA from settings other than special day classes?*

A. The ADA to be reported on this line is the district's total Master Plan ADA, including extended year ADA. While a school district initially reports estimated ADA on this line, the State Department of Education will substitute the actual ADA from the J-18/19 P-2 attendance report, Lines A-11 and D-1.

The second question that you ask is a good one. While virtually all special education ADA (other than nonpublic school ADA) is generated in special day classes, Master Plan ADA may also be generated by students attending a full-day resource specialist program under a waiver, or by students served full-time by special education home and hospital instruction that are operated as a DIS unit. In both of these cases, pupils are enrolled full-time in special education in either an RSP unit or DIS unit, and consequently do not have a regular teacher. In these cases it

is appropriate to report the ADA as Master Plan ADA on the J-18/19 attendance report. Since the pupils are served exclusively through the special education program, it is appropriate that the revenue limit generated by these pupils contributes toward the support of the program actually serving the pupils.

115. *Q. Why isn't my J-50 state entitlement equal to the total special education entitlement computed on line 1d (EDP 321)? Why are other sources of revenue deducted from the total on Line 1d and the residual is my J-50 entitlement?*

A. The total special education entitlement computed on Line 1d represents the maximum calculated entitlement recognized for state funding purposes of the special education program. Since several sources of revenue are available to contribute towards this calculated gross entitlement, funding is not supplied through a single source but rather from a composite of revenue sources, including the J-50. The other sources of revenue are the revenue limit for SDC ADA, PL 94-142 local assistance grant, recalculated LGFC for districts, county special education property tax for counties, and in some cases, excess county revenue received by districts. To calculate the J-50 portion of entitlement, these other sources of revenue are deducted from the gross entitlement on Line 1d (EDP 321).

Since the rationale for the deduction of the revenue limit generated by SDC ADA may not be readily apparent, a brief description of that rationale seems in order. A pupil in a special day class spends the majority of his or her school day in the special education program. Consequently, the resources devoted to that child's education are primarily those belonging to special education. It is therefore appropriate that the revenue limit generated by these SDC pupils support the special education program.

It should be noted that J-50 entitlements specific to county offices and SELPA AUs are not included on Line 1d of the total special education entitlement, but are added to the J-50 entitlement of those agencies on the last page of the NET/ENT.

116. *Q. What is the purpose of the ratio on Line 2b of the NET/ENT form?*

A. In the case where an LEA operates more special day classes than are funded, that LEA is entitled to retain revenue limit dollars corresponding to the ADA in the unfunded special day classes. The calculation on Line 2b computes the ratio of the number of special day classes operated to the number of special day classes allocated. On Line 2c, the actual ADA is divided by this ratio to compute the number of ADA in funded special day classes.

The calculation on Line 5b (EDP 334) makes a corresponding adjustment to the revenue limit amount for county offices of education which operate unfunded special day classes.

In computing the ratio on Line 2b, as detailed in the instructions on the reverse of the first page of the NET/ENT forms, infant units must be excluded from both the numerator and the denominator of this calculation, since infant units do not generate any ADA.

117. Q. ***Since I am allowed to retain the revenue limit dollars for unfunded special day classes, shouldn't I simply report the ADA in the unfunded units as regular ADA on my ADA reports?***

A. Absolutely not! It is critical that all special education ADA be appropriately reported on the J-18/19 form. The calculation of the ratio on Line 2b of the J-50-NET/ENT form makes the adjustment for any unfunded units.

118. Q. ***Since the ratio on Line 2b is equal to the number of SDC units operated divided by the number of SDC units allocated, what if I operate SDC units but do not have any units allocated, and the ratio is infinite?***

A. If no SDC units are allocated, then the calculation on Line 2c of the adjusted special education ADA will be adjusted to report only the ADA from extended year programs.

119. Q. ***Why is the amount of the base revenue limit per ADA requested on Line 3 (EDP 329) less than my district's base revenue limit on the K-12 form?***

A. The revenue limit amount per ADA reported on EDP 329 is equal to a district's revenue limit per ADA, exclusive of the longer day/longer year and minimum teacher's salary amounts which were folded into the base revenue limit in prior years (Education Code Section 42238.9). If these amounts were deducted from the total special education entitlement, the district would not receive incentive monies for special education students. The exclusion of these amounts actually preserves the longer day and year incentives and minimum teacher's salary amounts for the district.

120. Q. ***In Line 6, why do the instructions designate a very specific amount of PL 94-142 funding but then say to use the actual amount of the grant, if known?***

A. The per pupil entitlement of PL 94-142 Local Assistance may change after the J-50 worksheets are printed. When this amount changes, the actual amount of the grant will clearly be different than the computed amount.

121. Q. ***Why is the local general fund contribution reduced by an STRS adjustment reported on EDP 338?***

A. Your question raises one of the most obscure points in all of special education funding. Because the funding for the State Teachers' Retirement System (STRS) for special education teachers was included in the calculation of the special education IPS unit rates, base revenue limits were reduced in FY 1981/82 to eliminate double funding of these STRS costs (ref. Education Code 42241(a) as it read in 1981). Since a district's regular education funding was reduced by this STRS amount, a corresponding reduction was made to a district's local general fund contribution. (Aren't you glad you asked?) But, whereas the reduction to the base revenue limit in FY 1981/82 was a permanent change, the reduction to the local general fund contribution is an annual change. The amount reported in EDP 338 was determined in 1981 and has not changed since that year.

122. Q. ***Under what circumstances do school districts receive revenue from a county office of education (Line 9c, EDP 344)?***

A. In some counties, the revenue for special education from property taxes, PL 94-142, and revenue limits exceeds the county's total program entitlement. As a result, the calculation of state aid on Line 9a (EDP 340) is negative. Education Code Section 56713 requires that a county distribute this excess balance to the school districts within the county on the basis of equal dollars per unduplicated count. The district's share of the excess balance is then counted as another source of local revenue and reduces the district's entitlement of J-50 state aid for special education. That is, those districts which receive revenue from county offices on Line 9c have a corresponding reduction in the J-50 state aid for special education, and thus no net increase in revenue.

123. Q. ***My district is one of those which receives revenue from the county, as reported on Line 9c. One of the problems that I face is that the county reports that I will receive the revenue, and my J-50 state aid is reduced as a result, but I do not receive the county revenue in time to make up for the shortfall in state aid. Is there anything that I can do?***

A. You raise a difficult question. You are correct in saying that when the county reports that your agency will receive a portion of the county's excess balance, your J-50 state aid apportionment is reduced accordingly. But while the county anticipates having an excess balance, that excess balance is primarily due to property tax revenue, and the county may be reluctant to distribute your share of the excess balance until it has actually received its property tax revenue.

Since state law does not specify a timeline for distributing the county's excess balance to the school districts, the issue that

you raise needs to be negotiated between the districts and the county office of education.

124. *Q. On the second page of the NET/ENT form, why does the calculation in Lines 12-15 reduce my SELPA's PL 94-142 grant corresponding to the number of 3-4 year old not-RIS pupils?*

A. The state receives PL 94-142 local assistance funding for the statewide total population of special education students ages 3-21, inclusive, based on the December pupil count of the prior fiscal year. The PL 94-142 local assistance grants thus exclude funding for infants (pupils age 0-2, inclusive) and 22-year-old adults, even though both populations are served by units on the J-50 forms.

In computing an agency's J-50 state aid, the PL 94-142 local assistance funds are seen as another source of revenue contributing towards the program and are consequently deducted from the agency's total special education entitlement (Education Code Section 56712). Since 3-4 year olds not-RIS pupils, do not generate funding through the J-50 process, it is inappropriate for the PL 94-142 funds associated with these pupils to be deducted on the J-50 forms. Therefore, the PL 94-142 funds for the 3-4 year olds not-RIS pupils, must be isolated so that only the grant amount for pupils that actually generate funding through the J-50 process is deducted on the J-50 forms.

The calculation on lines 12-15 separates a SELPA's total PL 94-142 local assistance into: (1) an amount which will be used towards funding the program entitlements computed on the J-50 forms for the LEAs within the SELPA (Line 15, EDP 373); and (2) an amount which will be used towards funding the program entitlements computed under the Federal Preschool Grant Program (Line 14, EDP 372). The amount of PL 94-142 funds for the not-RIS pupils is thus part of the entitlement for the Federal Preschool Grant Program and is not received in addition to that entitlement.

125. *Q. Is there a required methodology for a SELPA to use in allocating PL 94-142 local assistance funds to the LEAs within a SELPA?*

A. No. Most SELPAs allocate the PL 94-142 local assistance grants to LEAs based on the prior year's December pupil count, in order to parallel how the SELPA-total grant was generated. However, there is no requirement that this methodology be used.

Because there are various methodologies used to allocate PL 94-142 local assistance grants, all SELPAs must inform the Local Assistance Bureau of the specific methodology used. This is important, since whenever the statewide total grant for PL 94-142 local assistance changes, the per-pupil entitlement factor used in Line 6 of the NET/ENT form (EDP 335) will change. By knowing each SELPA's allocation methodology, the State Department

of Education can perform this calculation for the SELPAs, thereby speeding up the apportionment process.

126. *Q. On Lines 16-18, I see that my SELPA's unduplicated pupil count is reduced by the ages 3-4 not-RIS count before program specialist and regionalized services funds are computed. Shouldn't we receive program specialist and regionalized services funds for the ages 3-4 not-RIS pupils?*

A. Yes--and you do. The calculation on Lines 16-18 is only to compute funding for those programs which are funded through the J-50 forms. Program specialist and regionalized services funds for the ages 3-4 not-RIS pupils are provided under the Federal Preschool Grant Program.

127. *Q. I see that the funding for program specialist and regionalized services is based on the unduplicated pupil count excluding the ages 3-4 not-RIS pupils, not to exceed 10% of total CBEDS K-12 enrollment. Shouldn't the cap on program specialist and regionalized services funds be adjusted to take into account infants, RIS preschool pupils, and LCI pupils in the same manner that the growth calculations allow those populations on top of the 10% cap?*

A. Although it would be reasonable to allow adjustments to the 10% cap calculations for determining the limit on program specialist and regionalized services funds for the populations that you mentioned, statutory law does not allow such adjustments.

128. *Q. Is there a simple source for the 10% of total CBEDS K-12 enrollment as reported on Line 19 (EDP 359)?*

A. Each LEA within the SELPA fills out a California Basic Education Data System (CBEDS) information form, part of which reports the October K-12 enrollment. By getting the CBEDS enrollment summary page for each school district and county office of education in the SELPA, it would be a simple matter to compute the total CBEDS K-12 enrollment and then to compute 10% of that number (rounded to the nearest integer) for reporting on this line.

129. *Q. Which number should I report on Line 23 (EDP 364)--the number of pupils who qualify for low incidence funding?*

A. The number to report is the unduplicated pupil count in December of the prior fiscal year in the categories of hard-of-hearing, deaf, visually handicapped, orthopedically impaired or blind. This count includes all pupils--infants to age 22--who meet this criteria. Note that multi-handicapped pupils are not to be included in this pupil count, since there is no way to separate those multi-handicapped pupils who have low incidence disabilities from other multi-handicapped pupils.

It should be noted, however, that because the state budget contains a fixed amount for low incidence funding, if all LEAs reported some of their multi-handicapped pupils, the entitlement per pupil would be reduced accordingly. Thus, if multi-handicapped low incidence pupils were included, LEAs would be counting more pupils, but the funding level per pupil would be lower, and the average SELPA would receive the same funding.

130. Q. ***The low incidence entitlement computed on Line 24 (EDP 366) of the J-50-NET/ENT form is only for books, materials, and equipment. Isn't there also low incidence monies for services?***

A. Yes. In 1989, $1.7 million of federal aid was allocated for services for low incidence pupils. This services allocation was outside the J-50 process and so does not appear on the forms. For information regarding the calculation of this entitlement and its proper use, please contact your region's assigned program consultant in the Special Education Division of the State Department of Education.

131. Q. ***Why don't school districts receive additional longer day/longer year incentives funding for special education ADA on the J-50 forms as county offices do?***

A. School districts which participated in the longer day/longer year programs during the phase-in period of FY 1984/85 through FY 1986/87 received revenue limit funding for all of their ADA and had those revenue folded into their base revenue limit. As a result, districts continue to receive longer day/longer year funding for all of their ADA through their revenue limit apportionment, and there is no need for a separate apportionment on the J-50 forms.

132. Q. ***After having filled out the J-50 forms for several years, I have one nagging question: Isn't there any easier way?***

A. Not under current law.

Glossary of Terms

Glossary of Terms

This Appendix contains a glossary of J-50 forms and special education acronyms.

Commonly Used Terms

AB	Assembly Bill
ADA	Average Daily Attendance
ALC	Allocation of Units
AU	Administrative Unit
CAC	California Administrative Code
CBEDS	California Basic Education Data System
CCS	California Children's Services
COE	County Office of Education
COLA	Cost of Living Adjustment
DB	Deaf/Blind
DIS	Designated Instruction and Services
DYR	Longer Day and Year
EC	Education Code (California)
EDP	Electronic Data Processing
ENT	Entitlement
EXT	Extended Year
FFH	Foster Family Home
FRZ	J-50 Freeze Form
FTE	Full-Time Equivalent
HH	Hard of Hearing
IEP	Individualized Education Program
INF	Infants
IPSU	Instructional Personnel Service Unit
LCI	Licensed Children's Institution
LD	Learning Disability
LEA	Local Education Agency
LGFC	Local General Fund Contribution
LH	Learning Handicapped
LRE	Least Restrictive Environment
MH	Multi-Handicapped
MIS	Management Information System
NET/ENT	Net Entitlement
NHS	Non-Severely Handicapped
NPS	Non-Public School
OH	Orthopedically Handicapped
OHI	Other Health Impaired
OI	Orthopedically Impaired
OT	Occupational Therapy
P-1	First Principal Apportionment
P-2	Second Principal Apportionment
PL 94-142	Public Law 94-142 (Education for All Handicapped Children Act)

Glossary of Terms - continued

PS	Program Specialist
PT	Physical Therapy
RIS	Require Intensive Special Education Services
RSP	Resource Specialist Program
SB	Senate Bill
SDC	Special Day Class
SDE	State Department of Education
SED	Severely Emotionally Disturbed
SELPA	Special Education Local Plan Area
SH	Severely Handicapped
SI	Speech Impaired
SSR	Support Services Ratio
UR	Unit Rates
VH	Visually Handicapped

Appendix

WILSON RILES
Superintendent of Public Instruction
and Director of Education

STATE OF CALIFORNIA
DEPARTMENT OF EDUCATION
STATE EDUCATION BUILDING, 721 CAPITOL MALL, SACRAMENTO 95814

DATE: March 18, 1982

TO: County and District Superintendents of Schools
ATTENTION: Special Education Local Plan Area Administrators
Business Managers

FROM: Louis S. Barber
Assistant Superintendent and Director
Office of Special Education
(916) 323-4768

Jacque T. Ross
Associate Superintendent
Division of Financial Services
(916) 322-3024

SUBJECT: APPROVAL OF PROGRAM TRANSFERS UNDER SENATE BILL 769 (STATUTES OF 1981)

Senate Bill 769 (Chapter 1094, Statutes of 1981) requires that no special education programs already in operation in school districts may be transferred to the county superintendent of schools, or to another school district, without the approval of the State Superintendent of Public Instruction. SB 769 also requires that financial adjustments to local funding be made so that such transfers result in no new costs to the State. (The exact language of this provision, Section 56828, is found at the bottom of page 6 of this memorandum.) This memorandum is to provide you with policy guidance on how to interpret this requirement and how to apply for the necessary approval, and how the fiscal requirements of SB 769 will be applied.

General Policy. Approval of the Superintendent of Public Instruction must be obtained for a special education program transfer if an Instructional Personnel Service (IPS) unit* is being transferred and if the responsibility for pupils previously served by that unit is also being transferred. The requirement only applies to transfers from a school district to the county office or to another school district--it does not apply to transfers from the county office of education to a school district.

This policy statement implies two tests in order to determine whether a program transfer is proposed: (1) would an Instructional Personnel Service unit be transferred, and (2) would the responsibility for serving pupils be transferred?

---

* An Instructional Personnel Service unit is a Special Class or Center, Resource Specialist Program, or Designated Instruction and Services unit.

(1) The intent of the Legislature in establishing the requirement for State approval was to create an additional control on costs. The purpose of Section 56828 was not to inhibit the ability of Local Plan Administrators to assign pupils to appropriate placements or to shift service responsibilities to balance workload. Rather, Section 56828 was intended to control the transfer of instructional units for fiscal purposes. Thus, a "program transfer" for the purposes of this requirement only occurs if there is a transfer of an Instructional Personnel Service unit (the unit that generates funds) and the responsibilities for serving pupils. Conversely, if there are no units transferred, there is no program transfer for the purposes of this requirement, even if there is a shift in the responsibility to serve some pupils. If there is no transfer of an Instructional Personnel Service unit, there is also no requirement to request the approval of the Superintendent of Public Instruction.

(2) If there is a transfer of an Instructional Personnel Service unit, State approval is required if there is also a shift in the responsibility to serve certain pupils.

It was not the intent of the Legislature to limit the ability of Local Plan Administrators to increase the unit allocations to some districts while decreasing the allocations to others, where such reallocations are made to reflect increasing or declining enrollments or to balance workload between districts. For example, if a district has the responsibility to serve all its own pupils requiring a Resource Specialist Program and it receives one additional Resource Specialist unit to meet this workload, there is no transfer of program if the district had that same responsibility during the prior semester.

In contrast, if the responsibility to serve pupils is transferred with a unit, then a program transfer has occurred. For example, if a district previously did not serve its own Special Class pupils, but now receives one unit to serve some of those pupils, a transfer of responsibility has occurred. If the district that previously had that responsibility was also reduced by one Instructional Personnel Service unit, then a program transfer has occurred which requires the approval of the Superintendent of Public Instruction.

Determination of when a program transfer is proposed is the responsibility of the Local Plan Area Administrator (or the administrative agency). When it is determined that such a transfer is proposed, the Local Plan Area administrative agency shall request the Superintendent of Public Instruction's approval pursuant to the process described below. The State may audit districts or county offices to determine if shifts in Instructional Personnel Service unit allocations represent program transfers and if such transfers were submitted for approval.

Important Note: Although SB 769 did not become effective until January 1, 1982, Section 26 of that bill requires that the fiscal provisions of the bill be deemed operative for the entire 1981-82 fiscal year. Thus, the program portion of Section 56828 (the Superintendent's approval) will not be required for transfers made prior to January 1, 1982. However, the financial adjustments required by Section 56828 will be made for the entire 1981-82 fiscal year for any program transfer that occurred after July 1, 1981.

Comments. Due to the many variations in circumstances involved in the assignment of pupils and Instructional Personnel Service units at the local level, it would be inappropriate for the State Department of Education to seek to review all reallocations of units and all reassignments of pupils to determine which constituted "program transfers" for the purposes of Section 56828. This responsibility is therefore left at the local level, to be coordinated through the governance mechanism established in the Local Plan.

In determining whether a "program transfer" is proposed, Local Plan Area administrators should use this policy memorandum for guidance. The criteria for determining whether a "program transfer" is proposed can be reviewed in three steps:

(1) Is a transfer of Instructional Personnel Service units proposed? If all districts in the Local Plan Area are going to be allocated the same or more units as in the previous semester, or all are going to be allocated the same or fewer units, no transfer of units is proposed (i.e., a transfer requires that one agency is reduced by one unit while another gains one unit).

(2) If there is a transfer of units, is it from one school district to another or from a school district to the county office? If the transfer is from a county office to a school district, it is not subject to the provisions of Section 56828 (i.e., there is no approval required and there is no financial adjustment).

(3) If the answer to the first two questions is "yes," the third question to be answered is: Has there also been a transfer in the responsibility to serve some pupils? If the answer is "yes," then approval for a program transfer is required. If the answer is "no," then it is not a "program transfer" for the purposes of Section 56828. Such a "no" answer implies that the shift of units is to provide appropriate staffing for the existing service responsibilities.

Thus, the answers to all three of the questions listed above must be "yes" in order for the unit to be considered a "program transfer" under Section 56828.

Application for Approval of a Proposed Program Transfer

After completing the application for program transfer (form enclosed), please mail it to:

Leo D. Sandoval, Administrator
Local Administrative Assistance Unit
Office of Special Education
Calif. State Dept. of Education
721 Capitol Mall, Room 656
Sacramento, CA 95814

Telephone: (916) 445-3561

OR

Leo D. Sandoval, Administrator
Local Administrative Assistance Unit
Office of Special Education
Calif. State Dept. of Education
601 West Fifth Street, Suite 1014
Los Angeles, CA 90017

Telephone: (213) 620-4262

Financial Adjustments Required by Section 56828

The financial adjustments required pursuant to Education Code Section 56828 will be handled on a case-by-case basis. An example of the procedures to be used follows. The example involves a program transfer from a district to a county office; the same procedures will be used for transfers from one district to another.

The procedures are designed to ensure that the transfer from district to county office, or from one district to another, does not result in the State paying out more money from its appropriations for education. There are three basic areas that must be examined; for the example of a program transfer from a district to a county office, these are: (1) the local contribution amount of the district, (2) the Instructional Personnel Service unit (IPSu) amounts of the county superintendent, and (3) the support service ratio of the county superintendent.

(1) Local Contribution Amount of the District

If the transfer results in the district saving all or part of its local contribution amount, the amount saved must be deducted from the district's regular revenue limit calculation. For example, if a district has only one Special Day Class (SDC) generating $62,000 in IPS units and support service entitlement and had a local contribution of $20,000, upon transfer to the county office the district would have to reduce its regular revenue limit by $20,000. However, if the district maintains other special education programs which continue to generate entitlements greater than $20,000, no deduction to its regular revenue limit is required.

(2) IPS Unit Amounts of the County Superintendent

If the Instructional Personnel Service unit amount per unit of the county is greater than the district's IPSu amount, the county IPSu amount per unit must be modified by including the district's IPSu amount per unit in a recalculation of the county's unit amount. For example:

(a)

County SDC amount (no aide) is	$40,000
County aide amount is	10,000
District SDC amount (no aide) is	32,000
District aide amount is	8,000

(b) County has 10 SDCs and a total of 20 aides. District is transferring one SDC with one aide to county.

(c) County must recalculate SDC unit amount as follows:

10	x $40,000	=	$400,000
1	x 32,000	=	32,000
11		=	$432,000
$432,000 ÷ 11		=	$ 39,273 (newly adjusted SDC amount)
20	x $10,000	=	$200,000
1	x 8,000	=	8,000
21		=	$208,000
$208,000 ÷ 21		=	$ 9,904 (newly adjusted aide amount)

(3) Support Services Ratio of the County Superintendent

If the support service ratio of the county superintendent is greater than the district's, the county's support service ratio must be modified as follows:

(a) The county has a total IPSu amount of $1,000,000 and a support service ratio of .7500. The district is transferring 1 SDC and 1 aide with entitlement of $40,000 and a support service ratio of .5500.

(b) Reduce county support service ratio as follows:

$1,000,000	x .7500	=	$750,000	
40,000	x .5500	=	22,000	
$1,040,000			$772,000	
$ 772,000	÷ $1,040,000	=	.7423	(newly adjusted support service ratio for county superintendent)

Departmental Procedure for Approval

The Program Branch will take action on proposed program transfers within 15 days after the Application for Program Transfer (Form OSE-PT) has been received in the Department. The Director of the Office of Special Education will notify you in writing regarding the action taken.

If the program transfer is approved, Mr. Jacque Ross, Chief of the Division of Financial Services will be notified and the appropriate financial adjustments will be calculated.

Please contact one of the following if you have further questions:

Local Administrative Assistance Unit
Office of Special Education
Calif. State Dept. of Education
(916) 445-3561 or
(213) 620-4262

Local Assistance Bureau
Fiscal and Administrative Services
Calif. State Dept. of Education
(916) 323-3281

LB/JR:RC:ra

Attachment

Education Code Section 56828 added by
SB 769 (Statutes of 1981)

56828. (a) No educational programs already in operation in school districts pursuant to Part 30 (commencing with Section 56000) shall be transferred to the county superintendent of schools, or to other school districts, without the approval of the Superintendent of Public Instruction. The Superintendent of Public Instruction shall approve these transfers only if it is determined that the transfer is in the best interests of the education and welfare of the pupils attending the program.

(b) In the event the transfer is approved, the support services amounts and Instructional Personnel Service Units amounts for the transferring agencies and county superintendent of schools shall be computed using a weighted average. The Superintendent of Public Instruction shall determine the additional costs to the state, if any, caused by the transfer, and permanently reduce the districts' revenue limits, or the county superintendent's support services entitlement, or both the districts' revenue limits and the county superintendent's support services entitlement, by an amount equal to the additional cost.

CALIFORNIA STATE DEPARTMENT OF EDUCATION
721 Capitol Mall; P.O. Box 944272
Sacramento, CA 94244-2720

Bill Honig
Superintendent
of Public Instruction

DATE: June 19, 1989

TO: Special Education Local Plan Area Administrators

FROM: Patrick Campbell
Assistant Superintendent/Director
Special Education Division
(916) 323-4768

SUBJECT: APPROVAL OF PROGRAM TRANSFERS UNDER ASSEMBLY BILL 4074

Effective July 1, 1986, AB 4074 (Chapter 703, Statutes of 1986) amended Education Code Section 56828 to allow the transfer of programs for severely handicapped pupils, or any part of those programs, to other educational agencies, upon agreement of those agencies. If the transferring support service ratio is higher, the higher support service ratio may also be transferred, if the transfer would not result in an entitlement of increased state aid. If the support level would result in an entitlement of increased state aid, a lower support service ratio will be calculated by the Superintendent of Public Instruction.

Severely handicapped pupils are individuals with exceptional needs who require intensive instruction and training in programs with the following profound disabilities: autism, blindness, deafness, severe orthopedic impairments, serious emotional disturbances, severe mental retardation, and those individuals who would have been eligible for enrollment in a development center for handicapped (E.C. Section 56030.5).

Legislative intent is to encourage educational agencies to move severely handicapped pupils from segregated sites or classrooms by allowing the transfer of a higher support service ratio. It must be demonstrated that such support is necessary in order to maintain the service level requirements of that class.

It was not the intent of the Legislature to control the ability of local plan administrators to increase unit allocations to some districts while decreasing the allocations to others, where such reallocations are made to reflect increasing or declining enrollments or to balance the workload between districts. These reallocation of units are not considered program transfers.

The State Department of Education will now accept requests for support service ratio adjustments for new and retroactive transfers of severely handicapped programs which qualify under the transfer language of Education Code 56828(c). All requests must be submitted on the attached forms and worksheets. Educational agency having submitted requests prior to this publication must resubmit their request.

If the receiving educational agency also operates other severely handicapped programs, a new support service ratio will be established for all the programs and the transferred program will be weighted into the support of the existing programs (see worksheet). Once a transfer has occurred and a request is approved by the Department, no further applications for the ensuing year are required. The Department will carry the effects forward to subsequent years. To assist in calculating the cost for operating of a program transfer, a fiscal worksheet is attached. Please submit the worksheets with the application forms.

CRITERIA

Due to the many variations in the circumstances involved in the assignment of pupils and instructional personnel service units, it may be appropriate to discuss with the State Department of Education the reallocations of units and reassignments of pupils to determine which constitutes program transfers for the purposes of Section 56828(c). This responsibility of program transfers and unit allocations is still at the local level, to be coordinated through the governance mechanism established in the local plan.

The criteria for determining a program transfer proposed can be reviewed as noted below:

It is considered a program transfer when an educational agency relinquishes administrative responsibility, i.e., employment of teacher and aide, provision of materials and equipment, housing, etc., for a class of pupils to another educational agency along with a unit. The receiving educational agency then becomes responsible for all of the above.

Basically, there are two tests to determine whether a program transfer is proposed: (1) Would an instructional personnel service unit be transferred? and (2) would the responsibility for serving pupils be transferred?

For the purposes of this memorandum, it is not considered a program transfer when pupils are returned and placed in existing or similar severely handicapped classes already in operation, along with a unit or portion of a unit. These classes have an established severely handicapped support service ratio and would not substantiate a higher support. Further, if the receiving educational agency has operated the program in the past and has a program returned, it would not receive a higher support service ratio.

Application for Approval of a Proposed Program Transfer

A completed "AB 4074 Program Transfer Worksheet" must be submitted for each program transfer between a transferring and receiving educational agency. Also, a separate "Receiving Program Operator" form (SED-PTB 5/89) must be completed and submitted by each receiving educational agency, and "Request for Special Education Program Transfer for Severely Handicapped Pupils" form (SED-PTA 5/89).

After completing the application for program transfer and worksheet forms, please mail it to:

Betsy Qualls, Consultant
Special Education Division
Calif. State Dept. of Education
P.O. Box 944272
Sacramento, CA 94244-2720

Telephone: (916) 445-2771

Department Procedure for Approval

The program branch will take action on proposed program transfers. The district and/or county will be contacted for review or discussion. All transfers must be substantiated/documented by records. If the program transfer is approved, the Local Assistance Bureau will be notified, and the appropriate financial adjustments will be calculated. The Director of Special Education will notify you in writing regarding the action taken.

PC:LDS:ats
Attachments

California State Department of Education
Special Education Division
Form SED-PTA 5/89

REQUEST FOR SPECIAL EDUCATION PROGRAM TRANSFER
FOR SEVERELY HANDICAPPED PUPILS
(E.C. 56828(c) as enacted by AB 4074, Chapter 703, Statutes of 1986)

SELPA REPORT

Name of County

Name of District(s)

Effective date of transfer

Name of SELPA
(receiving unit(s)

Date of request

DESCRIBE THE ACTIVITIES INVOLVED IN THE PROGRAM TRANSFER. Provide enough information to allow the reviewer a clear understanding of how agreements were reached, what effects the transfer will have on the pupils, the change in the location of classes if any, number of students involved, and the rationale for a higher support service ratio.

ADMINISTRATIVE APPROVAL FOR PROGRAM TRANSFER

Transferring Program Operator

SELPA Director

Title and Phone Number

Title and Phone Number

Date

Date

California State Department of Education
Special Education Division
Form SED-PTB 5/89

REQUEST FOR SPECIAL EDUCATION PROGRAM TRANSFER
FOR SEVERELY HANDICAPPED PUPILS
(E.C. 56828(c) as enacted by AB 4074, Chapter 703, Statutes of 1986)

RECEIVING PROGRAM OPERATOR

District/County _____ Effective Date of Transfer _____ Date of Request _____

Type of Program Being Transferred

Autistic	☐	Deaf	☐	Serious Emotionally Disturbed	☐
Blind	☐	Severe OH	☐	Severely Developmentally Delayed	☐

PLEASE RESPOND TO ALL QUESTIONS ON SEPARATE PAGES.

1. If site change occurs, include a description of preparations that have been made at the new site regarding students, teachers, parents and agencies.

2. If a partial unit is transferred, describe how the pupils will be ensured a full appropriate program both in sending and receiving LEAs.

3. Provide justification/rationale for the higher support ratio, and how "additional" dollars will be used.

4. As a result of the transfer, will the teacher and aide from the prior program operator be under your contract? If not, give reasons.

5. Has this educational agency ever operated this or similar programs in the past? Please explain.

6. Describe what physical changes are to occur when the transfer is made.

7. If a partial unit is transferred, describe how the pupils will be ensured a full appropriate program both in sending and receiving LEAs.

Signature of Educational Agency Administrator _____ Telephone Number _____ Date _____

For SDE use only

☐ Approved for following:

Name of LEA	No. of SH SDC IPSUs to be transferred from LEA	No. of SH SDC IPSUs to be transferred to LEA
1.		
2.		
3.		
4.		

☐ Denied. Reason _____

_____

_____

_____ on _____
Site visit by Date

_____ _____
Consultant signature Date

_____ _____
Manager signature Date

LOCAL ASSISTANCE BUREAU
(Verification of unit rate and support services ratio)

_____ _____
Analyst Date

56828. (a) No educational programs already in operation in school districts pursuant to Part 30 (commencing with Section 56000) shall be transferred to the county superintendent of schools, or to other school districts, or from the county superintendent of schools to school districts, without the approval of the Superintendent of Public Instruction, if the transfer would result in an entitlement to increased state aid pursuant to this chapter.

- Transfer of Programs

- State Superintendent's Approval

(b) In the event the transfer is approved, the support services amounts and instructional personnel service units amounts for the transferring agencies and county superintendent of schools shall be computed using a weighted average. The Superintendent of Public Instruction shall determine the additional costs to the state, if any, caused by the transfer, and permanently reduce the districts' revenue limits, or the county superintendent's support services entitlement, or both the districts' revenue limits and the county superintendent's support services entitlement, by an amount equal to the additional cost.

- State Superintendent Determines Additional Cost to State

- Reduction of Revenue Limits/Support Services Entitlement

(c) Educational programs for severely handicapped pupils, or any part of those programs, already in operation in school districts pursuant to Part 30 (commencing with Section 56000) may be transferred to the county superintendent of schools, or to other school districts, or from the county superintendent of schools to school districts, upon agreement of the agencies involved in the transfer, if the transfer would not result in an entitlement of increased state aid pursuant to this chapter. If an educational program for severely handicapped pupils, or any part of the program, is transferred, and if the support service ratio for severely handicapped classes of the transferring school district or county office of education is higher than that of the receiving district or county office, the support service ratio for the transferring district or county office shall be transferred to the receiving district or county office. If the transferred support service ratio would result in an entitlement of increased state aid, the Superintendent of Public Instruction shall calculate a lower support service ratio for the receiving district or county office, and shall apply the lower calculated ratio to the receiving district or county office operating the program. The transferred ratio shall thereafter become the support service ratio for severely handicapped classes for the district or the county operating the transferred program.

- Transfer of Programs for Severely Handicapped Pupils

SAMPLE # 1

CALIFORNIA STATE DEPARTMENT OF EDUCATION
SDE-FRX (5/89)

AB 4074 PROGRAM TRANSFER WORKSHEET

Pursuant to Chapter 703, Statutes of 1986, Education Code Section 56828(c), for program transfers of severe units, if the severe support services ratio of the transferring local education agency (LEA) is higher than the receiving LEA, the higher support services may be transferred to the extent that it does not result in an increased J-50 entitlement and therefore an increased cost to the State.

SECTION I. - General Information and Total Entitlement Cost Comparison.

Please report the effective date of the transfer, the names and SELPAs of the transferring LEAs, determine the entitlement for the number and types of units transferred, and whether the entitlement for the transferred unit(s) would increase if the full support services ratio were transferred. Refer to your special education entitlement "Exhibits" for the unit rates, J-50-IPS, EDP 562E, 564E or 566E, as appropriate, and for the severe support services ratio, refer to the TRANSFERRING LEA's Exhibits J-50-SSR/LOF, EDP 647 or 648. If calculating a program transfer which is effective 7/1/89, multiply the unit rates by the estimated 1989/90 cost of living adjustment of 1.0323. The support services ratio will not vary from year to year.

CAUTION: Each SDC unit carries only a 1.05 aide allocation. An inter-SELPA two-aide SDC unit transfer would require that the additional .95 of an aide be provided from the receiving SELPA's pre-existing aide entitlement.

Effective date of the Program Transfer: 7/89 (Month and Year) Inter-SELPA Transfer [X] Intra-SELPA Transfer [ ]

Name and SELPA of transferring LEA: LEA #1 / SELPA A

Name and SELPA of receiving LEA: LEA #2 / SELPA B

A. Transferring LEA Entitlement for Severe Programs Transferred:

(1) Severe Unit Type	(2) Quantity Transferred	(3) Unit Rate	(4) IPSU Entitlement (Cols. 2 X 3)	(5) Severe Support Services Ratio	(6) Total Entitlement (Cols. 4 X 5)
SDC-no aide	___.___	$ EDP 562E	$		
SDC-one aide	1.00	$ 44845 EDP 564E	$ 44845		
SDC-two aide	___.___	$ EDP 566E	$		
Total IPSU/Support Entitlement:			$ 44845	X 1.7774 EDP 647/648	= $ 79.699

B. Calculated Receiving LEA Entitlement for Severe Programs Transferred:

(7) Severe Unit Type	(8) Quantity Transferred	(9) Unit Rate	(10) IPSU Entitlement (Cols. 8 X 9)	(11) Severe Support Services Ratio of TRANSFERRING LEA (Col. 5)	(12) Total Entitlement (Cols. 10 X 11)
SDC-no aide	___.___	$ EDP 562E	$		
SDC-one aide	1.00	$ 44896 EDP 564E	$ 44896		
SDC-two aide	___.___	$ EDP 566E	$		
Total IPSU/Support Entitlement:			$ 44896	X 1.7774 (Col. 5)	= $ 79.451

If the Transferring LEA entitlement (Col. 6) is greater than the receiving LEA entitlement (Col. 12), the full support services ratio may be transferred and there is no need to complete Section II. If you operate other severe programs, you must also complete Sections III and IV. If you do not operate other severe programs, the transferred severe support services ratio is the new severe support services ratio of the receiving LEA.

If Column 12 is greater than Column 6, the support must be reduced. Please complete Section II.

SECTION II. - Receiving LEA Support Services Ratio Reduction. N/A

If the Section I, Column 12 total is greater than the Column 6 total, the transfer of the full support services ratio would increase J-50 entitlements and result in additional costs to the State. The following calculation must be performed to reduce the support services ratio to the level where no additional costs are incurred.

(1) Sec. I Col. 6 Transferring LEA total Entitlement		(2) Sec. I Col. 10 Receiving LEA IPSU Entitlement		(3) Allowable Support Entitlement		(4) Sec. I Col. 10 Receiving LEA IPSU Entitlement	(5) Adjusted Support Service Ratio (four decimal places): Use this support services ratio to complete Section III B. Column 6 if you operate other severe programs. If you do not operate other severe programs, this is the new severe support services ratio for the receiving LEA.
$	-	$	= $		divided by	$	= .

CALIFORNIA STATE DEPARTMENT OF EDUCATION
J50-PRX (5/89)

AB 4074 PROGRAM TRANSFER WORKSHEET

SECTION III. - Receiving LEA weighted average calculation. The result of this calculation is the new support services ratio for all severe programs.

Please refer to your P-2 Exhibits for the year preceeding the transfer to establish the quantity of severe units funded for the receiving LEA, EDP #s 562A, 564A, and 566A.

(1) Severe Unit Type	(2) Quantity	(3) Appropriate Year's Unit Rate	(4) IPSU Entitlement (Cols 2 x 3)	(5) Total IPSU Entitlement	(6) Severe Support Services Ratio	(7) Total Support Entitlement Col. 5 X Col. 6	(8) Total Entitlement (Line C. Cols. 5 + 7)
A. Entitlement for Existing Severe Units:							
1. SDC-no aide	___.___ EDP 562A	$ EDP 562E	$				
2. SDC-one aide	11.00 EDP 564A	$ 44896 EDP 564E	$ 493,856				
3. SDC-two aide	___.___ EDP 566A	$ EDP 566E	$				
Subtotal:				$ 493856 (Sum Col. 4.A.1-3)	X .5206 EDP 647/648 (four decimals)	= $ 257,101	
B. Entitlement for Program Transfer Units:							
1. SDC-no aide	___.___	$	$				
2. SDC-one aide	1.00	$ 44896	$ 44896	From Section I. B. Cols. 8, 9, & 10.			
3. SDC-two aide	___.___	$	$				
Subtotal:				$ 44,896 (Sum Col. 4.B.1-3)	X .7474 (From Sections I.B.(11) or II (5)) (four decimals).	= $ 33,555	
C. Total Column 5 IPSU and Column 7 Support Entitlements:				$ 538,752		+ $ 290,654	= $ 829,408 ✓
D. Divide the line C., Column 7 total by the line C., Column 5 total for the new weighted average support services ratio:							.5395 (four decimals)

SECTION IV. - New receiving LEA gross entitlement for all severe programs.

Check - If all calculations have been properly performed, the sum of the receiving LEA's existing and transferred units multiplied by the receiving LEA's unit rate and new support services ratio should equal the total entitlement calculated in Section III. C. Column 8 with a small variance due to rounding.

(1) Severe Unit Type	(2) Total Severe Units	X	(3) Unit Rates	=	(4) IPSU Entitlement	(5) Section III. D. Support Service Ratio	(6) Entitlement Col. 4 X Col. 5
SDC-no aide	___.___		$ EDP 562E		$		
SDC-one aide	12.00		$ 44896 EDP 564E		$ 538,752		
SDC-two aide	___.___		$ EDP 566E		$		
Total New Entitlement:					$ 538,752	X 1.5395	= $ 829,408 ✓

SAMPLE # 2

CALIFORNIA STATE DEPARTMENT OF EDUCATION
J50-PRX (5/89))

AB 4074 PROGRAM TRANSFER WORKSHEET

Pursuant to Chapter 703, Statutes of 1986, Education Code Section 56828(c), for program transfers of severe units, if the severe support services ratio of the transferring local education agency (LEA) is higher than the receiving LEA, the higher support services may be transferred to the extent that it does not result in an increased J-50 entitlement and therefore an increased cost to the State.

SECTION I. - General Information and Total Entitlement Cost Comparison.

Please report the effective date of the transfer, the names and SELPAs of the transferring LEAs, determine the entitlement for the number and types of units transferred, and whether the entitlement for the transferred unit(s) would increase if the full support services ratio were transferred. Refer to your special education entitlement "Exhibits" for the unit rates, J-50-IPS, EDP 562E, 564E or 566E, as appropriate, and for the severe support services ratio, refer to the TRANSFERRING LEA's Exhibits J-50-SSR/LGF, EDP 647 or 648. If calculating a program transfer which is effective 7/1/89, multiply the unit rates by the estimated 1989/90 cost of living adjustment of 1.0323. The support services ratio will not vary from year to year.

CAUTION: Each SDC unit carries only a 1.05 aide allocation. An inter-SELPA two-aide SDC unit transfer would require that the additional .95 of an aide be provided from the receiving SELPA's pre-existing aide entitlement.

Effective date of the Program Transfer: 7/89 (Month and Year) Inter-SELPA Transfer ☐ Intra-SELPA Transfer ☑

Name and SELPA of transferring LEA: LEA #3 / SELPA C

Name and SELPA of receiving LEA: LEA #4 / SELPA C

A. Transferring LEA Entitlement for Severe Programs Transferred:

(1) Severe Unit Type	(2) Quantity Transferred	(3) Unit Rate	(4) IPSU Entitlement (Cols. 2 X 3)	(5) Severe Support Services Ratio	(6) Total Entitlement (Cols. 4 X 5)
SDC-no aide	___.___	$ EDP 562E	$		
SDC-one aide	1.00	$44896 EDP 564E	$44896		
SDC-two aide	___.___	$ EDP 566E	$		
Total IPSU/Support Entitlement:			$44896 X 1.7474 EDP 647/648	=	$78,451

B. Calculated Receiving LEA Entitlement for Severe Programs Transferred:

(7) Severe Unit Type	(8) Quantity Transferred	(9) Unit Rate	(10) IPSU Entitlement (Cols. 8 X 9)	(11) Severe Support Services Ratio of TRANSFERRING LEA (Col. 5)	(12) Total Entitlement (Cols. 10 X 11)
SDC-no aide	___.___	$ EDP 562E	$		
SDC-one aide	1.00	$49845 EDP 564E	$49845		
SDC-two aide	___.___	$ EDP 566E	$		
Total IPSU/Support Entitlement:			$49845 X 1.7494 (Col. 5)	=	$87,099

If the Transferring LEA entitlement (Col. 6) is greater than the receiving LEA entitlement (Col. 12), the full support services ratio may be transferred and there is no need to complete Section II. If you operate other severe programs, you must also complete Sections III and IV. If you do not operate other severe programs, the transferred severe support services ratio is the new severe support services ratio of the receiving LEA.

If Column 12 is greater than Column 6, the support must be reduced. Please complete Section II.

SECTION II. - Receiving LEA Support Services Ratio Reduction.

If the Section I, Column 12 total is greater than the Column 6 total, the transfer of the full support services ratio would increase J-50 entitlements and result in additional costs to the State. The following calcuation must be performed to reduce the support services ratio to the level where no additional costs are incurred.

(1) Sec. I Col. 6 Transferring LEA total Entitlement		(2) Sec. I Col. 10 Receiving LEA IPSU Entitlement		(3) Allowable Support Entitlement		(4) Sec. I Col. 10 Receiving LEA IPSU Entitlement		(5) Adjusted Support Service Ratio (four decimal places): Use this support services ratio to complete Section III B. Column 6 if you operate other severe programs. If you do not operate other severe programs, this is the new severe support services ratio for the receiving LEA.
$78,451	-	$49,845	=	$28,606	divided by	$49,845	=	.5739

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CALIFORNIA STATE DEPARTMENT OF EDUCATION
J50-PRX (5/89)

AB 4074 PROGRAM TRANSFER WORKSHEET

SECTION III. - Receiving LEA weighted average calculation. The result of this calculation is the new support services ratio for all severe programs.

Please refer to your P-2 Exhibits for the year preceding the transfer to establish the quantity of severe units funded for the receiving LEA, EDP #s 562A, 564A, and 566A.

(1) Severe Unit Type	(2) Quantity	(3) Appropriate Year's Unit Rate	(4) IPSU Entitlement (Cols 2 x 3)	(5) Total IPSU Entitlement	(6) Severe Support Services Ratio	(7) Total Support Entitlement Col. 5 X Col. 6	(8) Total Entitlement (Line C. Cols. 5 + 7)
A. Entitlement for Existing Severe Units:							
1. SDC-no aide	___.___ EDP 562A	$ EDP 562E	$				
2. SDC-one aide	11.00 EDP 564A	$ 49845 EDP 564E	$ 548,295				
3. SDC-two aide	___.___ EDP 566A	$ EDP 566E	$				
Subtotal:				$ 548,295 (Sum Col. 4.A.1-3)	X .5206 EDP 647/648 (four decimals)	= $ 285,442	
B. Entitlement for Program Transfer Units:							
1. SDC-no aide	___.___	$	$				
2. SDC-one aide	1.00	$ 49845	$ 49845	From Section I. B. Cols. 8, 9, & 10.			
3. SDC-two aide	___.___	$	$				
Subtotal:				$ 49,845 (Sum Col. 4.B.1-3)	X .5739 (From Sections I.B.(11) or II (5)) (four decimals).	= $ 28,606	
C. Total Column 5 IPSU and Column 7 Support Entitlements:				$ 598,140		+ $ 314,048	= $ 912,188 ✓
D. Divide the line C., Column 7 total by the line C., Column 5 total for the new weighted average support services ratio:							.5250 (four decimals)

SECTION IV. - New receiving LEA gross entitlement for all severe programs.

Check - If all calculations have been properly performed, the sum of the receiving LEA's existing and transferred units multiplied by the receiving LEA's unit rate and new support services ratio should equal the total entitlement calculated in Section III. C. Column 8 with a small variance due to rounding.

(1) Severe Unit Type	(2) Total Severe Units	X	(3) Unit Rates	=	(4) IPSU Entitlement	(5) Section III. D. Support Service Ratio	(6) Entitlement Col. 4 X Col. 5
SDC-no aide	___.___		$ EDP 562E		$		
SDC-one aide	12.00		$ 49845 EDP 564E		$ 598,140		
SDC-two aide	___.___		$ EDP 566E		$		
Total New Entitlement:					$ 598,140	X 1.5250	= $ 912,163 ✓

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CALIFORNIA STATE DEPARTMENT OF EDUCATION
J50-PRX (5/89)

AB 4074 PROGRAM TRANSFER WORKSHEET

Pursuant to Chapter 703, Statutes of 1986, Education Code Section 56828(c), for program transfers of severe units, if the severe support services ratio of the transferring local education agency (LEA) is higher than the receiving LEA, the higher support services may be transferred to the extent that it does not result in an increased J-50 entitlement and therefore an increased cost to the State.

SECTION I. - General Information and Total Entitlement Cost Comparison.

Please report the effective date of the transfer, the names and SELPAs of the transferring LEAs, determine the entitlement for the number and types of units transferred, and whether the entitlement for the transferred unit(s) would increase if the full support services ratio were transferred. Refer to your special education entitlement "Exhibits" for the unit rates, J-50-IPS, EDP 562E, 564E or 566E, as appropriate, and for the severe support services ratio, refer to the TRANSFERRING LEA's Exhibits J-50-SSR/LGF, EDP 647 or 648. If calculating a program transfer which is effective 7/1/89, multiply the unit rates by the estimated 1989/90 cost of living adjustment of 1.0323. The support services ratio will not vary from year to year.

CAUTION: Each SDC unit carries only a 1.05 aide allocation. An inter-SELPA two-aide SDC unit transfer would require that the additional .95 of an aide be provided from the receiving SELPA's pre-existing aide entitlement.

Effective date of the Program Transfer: _____ (Month and Year) Inter-SELPA Transfer ☐ Intra-SELPA Transfer ☐

Name and SELPA of transferring LEA: _____

A. Transferring LEA Entitlement for Severe Programs Transferred:

(1) Severe Unit Type	(2) Quantity Transferred	(3) Unit Rate	(4) IPSU Entitlement (Cols. 2 X 3)	(5) Severe Support Services Ratio	(6) Total Entitlement (Cols. 4 X 5)
SDC-no aide	___.___	$_____ EDP 562E	$_____		
SDC-one aide	___.___	$_____ EDP 564E	$_____		
SDC-two aide	___.___	$_____ EDP 566E	$_____		
Total IPSU/Support Entitlement:			$_____	X 1. EDP 647/648 =	$_____

Name and SELPA of receiving LEA: _____

B. Calculated Receiving LEA Entitlement for Severe Programs Transferred:

(7) Severe Unit Type	(8) Quantity Transferred	(9) Unit Rate	(10) IPSU Entitlement (Cols. 8 X 9)	(11) Severe Support Services Ratio of TRANSFERRING LEA (Col. 5)	(12) Total Entitlement (Cols. 10 X 11)
SDC-no aide	___.___	$_____ EDP 562E	$_____		
SDC-one aide	___.___	$_____ EDP 564E	$_____		
SDC-two aide	___.___	$_____ EDP 566E	$_____		
Total IPSU/Support Entitlement:			$_____	X 1. (Col. 5) =	$_____

If the Transferring LEA entitlement (Col. 6) is greater than the receiving LEA entitlement (Col. 12), the full support services ratio may be transferred and there is no need to complete Section II. If you operate other severe programs, you must also complete Sections III and IV. If you do not operate other severe programs, the transferred severe support services ratio is the new severe support services ratio of the receiving LEA.

If Column 12 is greater than Column 6, the support must be reduced. Please complete Section II.

SECTION II. - Receiving LEA Support Services Ratio Reduction.

If the Section I, Column 12 total is greater than the Column 6 total, the transfer of the full support services ratio would increase J-50 entitlements and result in additional costs to the State. The following calculation must be performed to reduce the support services ratio to the level where no additional costs are incurred.

(1) Sec. I Col. 6 Transferring LEA total Entitlement		(2) Sec. I Col. 10 Receiving LEA IPSU Entitlement		(3) Allowable Support Entitlement		(4) Sec. I Col. 10 Receiving LEA IPSU Entitlement		(5) Adjusted Support Service Ratio (four decimal places): Use this support services ratio to complete Section III B. Column 6 if you operate other severe programs. If you do not operate other severe programs, this is the new severe support services ratio for the receiving LEA.
$_____	-	$_____	=	$_____	divided by	$_____	=	.____

CALIFORNIA STATE DEPARTMENT OF EDUCATION
J50-PRX (5/89)

AB 4074 PROGRAM TRANSFER WORKSHEET

SECTION III. - Receiving LEA weighted average calculation. The result of this calculation is the new support services ratio for all severe programs.

Please refer to your P-2 Exhibits for the year preceeding the transfer to establish the quantity of severe units funded for the receiving LEA, EDP #s 562A, 564A, and 566A.

	(1) Severe Unit Type	(2) Quantity	(3) Appropriate Year's Unit Rate	(4) IPSU Entitlement (Cols 2 x 3)	(5) Total IPSU Entitlement	(6) Severe Support Services Ratio	(7) Total Support Entitlement Col. 5 X Col. 6	(8) Total Entitlement (Line C. Cols. 5 + 7)
A.	Entitlement for Existing Severe Units:							
	1. SDC-no aide	. EDP 562A	$ EDP 562E	$				
	2. SDC-one aide	. EDP 564A	$ EDP 564E	$				
	3. SDC-two aide	. EDP 566A	$ EDP 566E	$				
	Subtotal:				$ (Sum Col. 4.A.1-3)	X . EDP 647/648 (four decimals)	= $	
B.	Entitlement for Program Transfer Units:							
	1. SDC-no aide	__.__	$	$	From Section I. B. Cols. 8, 9, & 10.			
	2. SDC-one aide	__.__	$	$				
	3. SDC-two aide	__.__	$	$				
	Subtotal:				$ (Sum Col. 4.B.1-3)	X . (From Sections I.B.(11) or II (5)) (four decimals).	= $	
C.	Total Column 5 IPSU and Column 7 Support Entitlements:				$		+ $	= $
D.	Divide the line C., Column 7 total by the line C., Column 5 total for the new weighted average support services ratio:							. (four decimals)

SECTION IV. - New receiving LEA gross entitlement for all severe programs.

Check - If all calculations have been properly performed, the sum of the receiving LEA's existing and transferred units multiplied by the receiving LEA's unit rate and new support services ratio should equal the total entitlement calculated in Section III. C. Column 8 with a small variance due to rounding.

(1) Severe Unit Type	(2) Total Severe Units	X	(3) Unit Rates	=	(4) IPSU Entitlement	(5) Section III. D. Support Service Ratio	(6) Entitlement Col. 4 X Col. 5
SDC-no aide	__.__		$ EDP 562E		$		
SDC-one aide	__.__		$ EDP 564E		$		
SDC-two aide	__.__		$ EDP 566E		$		
Total New Entitlement:					$	X 1.___	= $

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1. *What are the due dates for the J-50 forms?*
2. *Is there a penalty for filing the J-50 forms late?*
3. *Is there software available to assist in completing the J-50?*
4. *Will the software be maintained in future years?*
5. *What forms must I return to the State Department of Education at P-1 and P-2?*
6. *I understand why the Data Sheet II is used to report basic data, such as the number of units of each type which my agency operates. But why is it also used to report numbers which are calculated from the basic data? Does the state's computer do these calculations?*
7. *May forms for prior years be amended?*
8. *How should I report amendments?*
9. *If I amend a prior year "Exhibit" by revising the J-50-IPS form, must I also recompute the ENT and NET/ENT worksheets?*
10. *I recently received my P-2 apportionment printouts and there was a terrible error that reduced my state aid by $500,000. Can my apportionment be corrected before next February?*
11. *How is the amount of each district's special education advance apportionment computed?*
12. *How are the monthly payments for J-50 special education funding computed and paid?*

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13. *How should SDC and NPS ADA be calculated if a pupil's IEP specifies a number of minutes of instruction which is less than the minimum school day?*

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14. How should NPS ADA be calculated when the number of days taught in the NPS exceeds the number of days taught by the school district? Can some of these days count as extended year days and be included in the extended year ADA calculation? If so, how would extended year ADA be calculated?

15. May ADA be claimed for infant or preschool programs?

16. How is ADA reported for a student who is in a special day class for part of the day and mainstreamed in a regular classroom for part of the day? Should the ADA be prorated based upon the time in each program?

17. I report itinerant teachers serving low incidence pupils in regular classrooms as special day classes. Should I report the ADA of those pupils as regular ADA or as special day class ADA?

FRZ Form 15

18. Why are these forms called FRZ or "freeze" forms?

19. What options does the SELPA have in completing the FRZ form?

20. What type of justification should a SELPA provide for the reallocations of units on the FRZ form?

21. Once the FRZ form is submitted, may it be amended?

22. Do you have any tips to avoid problems when reallocating units within the FRZ?

23. Aren't the J-50 forms backwards? That is, shouldn't the J-50 forms start with a number of units operated by each LEA and then aggregate those numbers to determine the SELPA-wide number of funded units by setting?

J-50-LPA, Schedule B (Age 3-21 Program) 19

24. What if the number of units or aides available is less than the number needed?

25. Our SELPA frequently has disagreements over how units and aides should be allocated. Are there any good formulas available for allocating units and aides?

26. When units are transferred from one SELPA to another to provide funding for transferring students, are there statewide standards that must be used to compute the fraction of a unit per student transferred?

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27. *If my SELPA transfers units to another SELPA at P-1, what happens to those units at P-2?*

28. *What data should I check to avoid problems in reporting transfers of units with other SELPAs?*

29. *Why are units which I transfer to another SELPA deducted from my SELPA's FRZ units?*

30. *If the J-50 forms start with Schedule B, whatever happened to Schedule A?*

31. *I see in footnote "b" of Schedule B for the ages 3-21 program that 80% of resource specialists must have an aide. Can a SELPA receive aide funding for more than 80% of its resource specialists?*

Schedule B, Infant Programs 23

32. *Why are Columns A and D not used on this form?*

Form J-50-ALC 25

33. *What constitutes the total number of units allocated for a school district?*

34. *Is there a difference in funding between units designated as severely handicapped versus nonseverely handicapped?*

35. *Under what circumstances may a special day class be reported as severely handicapped?*

36. *Can RSP and DIS units be classified as severely handicapped?*

37. *My district has the same support services ratio for programs for both the severely and nonseverely handicapped. What is the significance then of distinguishing between nonseverely and severely handicapped units?*

Form J-50-SSR 27

38. *Where did the support services ratios come from?*

39. *If Line 1 reports my historic support services ratio, why are the support services ratios used on the J-50s lower?*

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40. *In my district, the support services ratios for the severely handicapped and nonseverely handicapped programs are the same. Shouldn't I receive a higher funding level for severely handicapped programs?*

41. *In the 1979/80 base year, my district operated nonseverely handicapped programs only. Next year my district will begin to operate a severely handicapped program. Will I be able to use a severely handicapped support services ratio which is higher than my current ratio?*

42. *What if my district did not operate special education programs in 1979, and therefore has no historic ratio to use?*

Form J-50-LGF 29

43. *How was the local general fund contribution (LGFC) established?*

44. *What if my district did not operate special education programs in 1979? What LGFC do I use?*

45. *Why does Line 1 of the LGFC worksheet refer to "recalculated" LGFC in 1979/80?*

46. *Why does the calculation of the LGFC in the current year depend on the K-12 ADA in the current year?*

47. *Which ADA count is used in this calculation?*

48. *My district operates fewer IPS units in the current year than in FY 1979/80. Is the LGFC reduced proportionately to the reduction in IPS units?*

49. *Must a district spend its LGFC on special education programs?*

J-50-UR 31

50. *What is the origin of the unit rates?*

51. *My district did not operate special day classes in FY 1979/80 and so has no base year unit rate for that setting. What unit rate should I use?*

52. *Were the unit rates increased for the additional days or minutes required to meet the Longer Day/Longer Year programs which were implemented between FY 1984/85 and 1986/87?*

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53. What is the difference between allocated, operated and funded?

54. When is a unit deemed to be operated?

55. Many of my RSP and other special education classroom teachers such as language, speech and hearing specialists perform assessments as well as teach. Do I have to prorate their FTE between IPS units and assessment (i.e., support).

56. May 20% of psychologist and nurse FTE be reported as DIS units without documentation?

57. How are classified DIS units calculated?

58. What type of services may be claimed as classified DIS?

59. In my district, the average aide worked seven hours in FY 1979/80. Isn't my district being penalized now because it must provide seven hours of service for an aide FTE, whereas most other agencies need to have only six hours for an FTE?

60. The classified DIS conversion factor shown in Column B of EDP 513 is higher in the current year than it was several years ago. Why has this changed, and will it change again next year?

61. My district serves infants through a contract with a nonprofit agency, yet I receive funding for these infant programs as units. How do I calculate infant units in this case?

62. I know that it is critical that the number of units allocated and the number of units operated match line-by-line to the extent possible. What should I do if there is not a match?

63. Is there something that I can do if the number of units operated exceeds the number of units allocated, and no more units are available from the SELPA to increase the allocation?

64. I know that in reporting my total units operated I should include units which I operate but for which I do not receive funding because of the effect that unfunded SDC units have on the revenue limit deduction on the J-50-NET/ENT. Are there any units which I should not report as operated on the J-50?

65. On the second page of the J-50-IPS worksheet, there are columns to report regular units, nondeficited units, and infant units. Can you explain these categories and the types of units to claim in each?

66. *Students in LCIs and foster family homes are scattered throughout my program. How should I determine the number of nondeficited units?*

67. *Some of my infant students are in foster family homes. Should I report units serving those infants in the nondeficited unit column (Column C) or in the infant column (Column D)?*

68. *Can infants and preschoolers be served in the same program?*

69. *I understand that infant program units may not be used to fund regular program classes. Why does footnote "a" on the second page of the J-50-IPS worksheets say that regular units cannot be used to serve infants? Can I use regular units to serve infants?*

70. *I see on the third page of the IPS worksheets that the entitlement for aides is compared to the number of aides used. What happens if the number of aides used differs from the aide entitlement?*

71. *If the number of aides used exceeds the entitlement, is there anything that I can do to receive funding for those aides?*

72. *What if I do not report nondeficited units?*

73. *One of our classified DIS units is a physical therapist, and the salary for this employee is very close to that of a typical DIS teacher. If I report this person as only 1.00 classified DIS unit, the funding I will receive is at the same level as an instructional aide, or far below their salary level. May I report this person as 2.00 FTE since their salary level is 2.00 times my aide rate?*

74. *If a unit is provided through the use of a long-term substitute--or, for a teacher with an emergency credential--may that unit be reported as operated?*

J-50-EXT 45

75. *Extended year programs generally start in June of one fiscal year and end in July or August of the next fiscal year. In which year or years should the extended year program be reported?*

76. *In reporting the number of days taught for reimbursement on the J-50-EXT, may I include holidays (e.g., 4th of July) or special education in-service days?*

77. *I know that the extended year unit rates are calculated by multiplying the regular year unit rate times the ratio of the number of days of the extended year program to 175 days. Why is 175 days used as the divisor in this calculation now that my school district is operating on a 180-day regular school year?*

78. *My agency operates extended year programs of different lengths. How do I calculate the number of days taught?*

79. *In reporting the SDC enrollment, should I report the number of pupils who actually attend the last day of the second week of the session, or the number of pupils enrolled at that time?*

80. *For the infant extended year program, very few of the infants attend the program every day. How should I report the infant SDC enrollment?*

81. *During the regular school year, my district needs to provide 6 hours of aide service for one aide FTE. For the extended year program, the entire program lasts only 4 hours per day. Do I need to provide 6 hours of aide service for one FTE, or may I claim 4 hours of service for one aide FTE?*

82. *How should I calculate the number of aide FTE and the number of DIS FTE for the extended year program?*

83. *The instructions for the extended year worksheets for the severely handicapped indicate that the maximum aide entitlement is two aides per SDC unit. Isn't the maximum aide entitlement 1.05 aide per SDC?*

84. *Are the rules for differentiating between severely handicapped and nonseverely handicapped special classes the same for the extended year program as for the regular year program? That is, if an extended year class has fewer than two-thirds of its pupils meeting the definition of severely handicapped, but has extraordinary needs for services or equipment, may that extended year class be called severely handicapped?*

85. *My district is an elementary district and recently had a pupil complete the 8th grade who then entered an extended year program. Should this pupil be in the extended program operated by my district or by the high school district?*

J-50-NPS 49

86. *What are the three different reimbursement categories for placements in certified nonpublic schools or agencies?*

87. *I have a difficult time distinguishing between nonpublic schools (NPS) and licensed children's institutions (LCI). Can you clarify these terms for me?*

88. *What is meant by the excess cost of nonpublic school placements?*

89. *If most preschoolers are not age-eligible for ADA calculations, should I explain the omission of NPS ADA when reporting an NPS contract for services to these preschool pupils on the J-50-NPS form?*

90. *On Part II, do I need to report the name, address and license number of the LCI or foster family homes for all of the nonpublic school placements?*

91. *Part II, Column VII, reports related services costs. Should the related services costs be reported in Column VII if they are already included in the NPS costs reported in Column V?*

92. *I have a student who requires medically necessary related services--even California Children Services (CCS) agrees. But CCS will not serve the student at a time and place that is feasible. Thus, I am forced to provide the service, and I use a contracted service. If the provider is certified as a nonpublic agency, may I claim the cost on the NPS page?*

93. *May a district contract with a person who is certified as a nonpublic agency and have that person work at a district site?*

94. *How should I report a placement where a court ordered the school district to place the pupil in a nonpublic school? Should it be considered a placement by the school district, and reported in Column A or a placement by a non-educational public agency, and therefore eligible for 100% reimbursement in Column C?*

95. *I know that on the Annual J-50 report, the nonpublic school tuition and related services costs will be the total amount paid for the fiscal year. For the P-1 and P-2 reports, however, should I report: (a) the estimated total amount for the fiscal year? or (b) only the amount paid through the P-1 or P-2 reporting period?*

96. *What should I report in Column I of Part II if a nonpublic school is not on the State Department of Education certification list?*

97. *Does the state certify out-of-state NPS? Are there any controls on out-of-state placements?*

98. *May transportation costs be included in the NPS tuition or related services costs?*

99. *I see that Column VIII of Part II of the NPS worksheet is used to report the identification and assessment costs for pupils residing in LCIs. Which costs may be reported in this column?*

100. *Footnote "c" on Part I of the NPS worksheet indicates that the state will reimburse 100% of the excess cost of a nonpublic school placement "for a pupil attending a school operated by a public hospital, state-licensed children's hospital, psychiatric hospital, proprietary hospital or a medical facility." Is this true?*

101. *Under what circumstances may residential costs be claimed towards nonpublic school tuition?*

102. *If a student attends a nonpublic school both for the regular year and the extended year, may the data for that student be reported together on Part II?*

103. *As the result of an expanded IEP team meeting under AB 3632, our county mental health agency placed a severely emotionally disturbed pupil in a residential nonpublic school. I understand that my school district is responsible for the educational costs of the pupil. Since the placement was made by a noneducational agency, should we report the costs in Column C, thereby receiving 100% reimbursement for the excess costs?*

104. *Our infant program is provided through a contract with a certified nonpublic agency. Should those costs be reported on the J-50-NPS worksheet?*

105. *How should I report costs if a parent places a child in a residential program in a nonpublic school?*

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106. *Do all students have to be offered the minimum longer day instructional time specified in Education Code Section 46201.5 in order to receive the incentive monies? What about students whose IEP specifies a shorter instructional time?*

107. *Do the longer day/longer year standards apply to infant and preschool programs?*

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108. Can you explain the unused aide adjustment on Line 2 (EDP 072) and Line 24 (EDP 088)?

109. Why is the adjustment for DIS units in excess of 1980/81 DIS units operated on lines 6-8 of the J-50-ENT worksheet calculated at P-1 but then not used at P-2?

110. Under which circumstances does the adjustment for units started between P-1 and P-2 apply?

111. Why is .50 of the nonseverely handicapped extended year entitlement subtracted from the regular entitlement on Line 20?

112. In a calculation on Line 33 of the severe support services entitlement, why is the severely handicapped extended year entitlement multiplied by the nonseverely handicapped support services ratio (the instructions require multiplying Line 21 by Line 26)?

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113. What is the purpose of the ratio on Line 1e of the NET/ENT form?

114. Line 2a (EDP 327) collects the special education P-2 ADA for special day classes. The instructions on that line clearly state that I should exclude ADA in nonpublic schools (since it is already reported on J-50-NPS) and county office special education ADA credited to the district. My question is, should this report include extended year ADA? And what about the Master Plan ADA from settings other than special day classes?

115. Why is my J-50 state entitlement not equal to the total special education entitlement computed on Line 1d (EDP 321)? Why are other sources of revenue deducted from the total on Line 1d and the residual is my J-50 entitlement?

116. What is the purpose of the ratio on Line 2b of the NET/ENT form?

117. Since I am allowed to retain the revenue limit dollars for unfunded special day classes, shouldn't I simply report the ADA in the unfunded units as regular ADA on my ADA reports?

118. Since the ratio on Line 2b is equal to the number of SDC units operated divided by the number of SDC units allocated, what if I operate SDC units but do not have any units allocated, and the ratio is infinite?

119. *Why is the amount of the base revenue limit per ADA requested on Line 3 (EDP 329) less than my district's base revenue limit on the K-12 form?*

120. *In Line 6, why do the instructions designate a very specific amount of PL 94-142 funding but then say to use the actual amount of the grant, if known?*

121. *Why is the local general fund contribution reduced by an STRS adjustment reported on EDP 338?*

122. *Under what circumstances do school districts receive revenue from a county office of education (Line 9c, EDP 344)?*

123. *My district is one of those which receives revenue from the county, as reported on Line 9c. One of the problems that I face is that the county reports that I will receive the revenue, and my J-50 state aid is reduced as a result, but I do not receive the county revenue in time to make up for the shortfall in state aid. Is there anything that I can do?*

124. *On the second page of the NET/ENT form, why does the calculation in Lines 12-15 reduce my SELPA's PL 94-142 grant corresponding to the number of 3-4 year old not-RIS pupils?*

125. *Is there a required methodology for a SELPA to use in allocating PL 94-142 local assistance funds to the LEAs within a SELPA?*

126. *On Lines 16-18, I see that my SELPA's unduplicated pupil count is reduced by the ages 3-4 not-RIS count before program special-ist and regionalized services funds are computed. Shouldn't we receive program specialist and regionalized services funds for the ages 3-4 not-RIS pupils?*

127. *I see that the funding for program specialist and regionalized services is based on the unduplicated pupil count excluding the ages 3-4 not-RIS pupils, not to exceed 10% of total CBEDS K-12 enrollment. Shouldn't the cap on program specialist and region-alized services funds be adjusted to take into account infants, RIS preschool pupils, and LCI pupils in the same manner that the growth calculations allow those populations on top of the 10% cap?*

128. *Is there a simple source for the 10% of total CBEDS K-12 enroll-ment as reported on Line 19 (EDP 359)?*

129. *Which number should I report on Line 23 (EDP 364)--the number of pupils who qualify for low incidence funding?*

130. *The low incidence entitlement computed on Line 24 (EDP 366) of the J-50-NET/ENT form is only for books, materials, and equipment. Isn't there also low incidence monies for services?*

131. *Why don't school districts receive additional longer day/longer year incentives funding for special education ADA on the J-50 forms as county offices do?*

132. *After having filled out the J-50 forms for several years, I have one nagging question: Isn't there any easier way?*

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